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STATE OF NEBRASKA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 1993

NEBRASKA STATE PARKS

Welcome to Nebraska's state parks. With over 47 areas across the state, there are park areas to suit virtually every outdoor taste.

Whether a person is seeking the ultimate in modern conveniences in a picturesque outdoor setting or yearn to get back to nature amid the unspoiled beauty of the wilderness, you can find just the right locale for you from among Nebraska's exceptional state park areas ..... from magnificent new Eugene T. Mahoney State Park in the east to the rugged, primitive beauty of Wildcat Hills State Recreation Area in the west.

Included on the cover and the divider pages is a glimpse of some of the scenes from several of the state parks.

Following is a listing of the various parks, historical parks and recreation areas:

STATE PARKS
Eugene T. Mahoney
Platte River
Indian Cave
Ponca
Niobrara
Chadron
Fort Robinson

STATE HISTORICAL PARKS
Rock Creek Station
Arbor Lodge
Fort Atkinson
Ashfall Fossil Beds
Fort Hartsuff
Arthur Bowring Sandhills Ranch
Ash Hollow
Champion Mill
Buffalo Bill Ranch

STATE RECREATION AREAS
Louisville
Schramm Park
Two Rivers
Branched Oak
Pawnee Lake
Fremont

STATE RECREATION AREAS (Cont.)
Dead Timber
Summit Lake
Pelican Point
Willow Creek
Lewis and Clark Lake
Keller Park
Victoria Springs
Merritt Reservoir
Calamus Reservoir
Sherman Reservoir
Cottonwood
Box Butte
Wildcat Hills
Lake Minatare
Lake McConaughy
Lake Ogallala
Enders Reservoir
Swanson Reservoir
Red Willow
Medicine Creek
Lake Maloney
Johnson Lake
Fort Kearney
Windmill
Mormon Island

COVER: Niobrara State Park

Photo courtesy of the Nebraska Game and Parks Commission.

Printed with soy ink on recycled paper.

State of Nebraska

Comprehensive Annual Financial Report

Year Ended June 30, 1993

E. Benjamin Nelson
Governor

Department of Administrative Services

Lawrence S. Primeau
Director

Robert D. Luth
Accounting Administrator

State of Nebraska

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 1993

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INTRODUCTORY SECTION

ROCK CREEK STATION

Western history buffs will want to visit this unique area six miles east of Fairbury. It was here that James Butler "Wild Bill" Hickok began his notorious career, when he gunned down station owner David McCanles. Ruts of west-bound wagons are still visible at this one-time stage, Pony Express, wagon train and freighter stop on the Oregon-California Trail.

STATE OF NEBRASKA

EXECUTIVE SUITE
P.O. Box 94848
Lincoln, Nebraska 68509-4848
Phone (402) 471-2244

E. Benjamin Nelson
Governor

December 17, 1993

Members of the Legislature
Citizens of the State of Nebraska

It is my pleasure to submit Nebraska's Comprehensive Annual Financial Report for the fiscal year 1993.

This report demonstrates the fiscal control and integrity that is one of the principal objectives of my administration. It also demonstrates the fiscal strength and stability of the Nebraska economy, which continues to outperform the national economy.

Currently, there is considerable pressure toward reducing medical costs. These costs have a direct effect on the State's budget as evidenced by the significant increases in Medicaid expenses over the past several years and an indirect effect by reducing the amount of personal income that the State's taxpayers have at their disposal. The ultimate outcome of President Clinton's medical program will be monitored closely to see what effect it may have on Nebraska. Because of the federal deficit problem, there may be a tendency to shift some of the burden toward the state.

During the past year, we were successful in correcting structural deficiencies in the State's income tax system; implementing a state lottery; and passing a balanced budget for the next two year biennium.

Our ability to manage our fiscal affairs and to provide full disclosure of the State's fiscal condition is demonstrated by the unqualified audit opinion that follows. I am also proud to report that the 1992 report that was submitted to the Government Finance Officers Association was awarded the prestigious Certificate of Achievement for Excellence in Financial Reporting. A copy of this award follows later in this report.

Sincerely,

Ben Nelson

E. Benjamin Nelson
Governor

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SELECTED STATE OFFICIALS

EXECUTIVE

E. Benjamin Nelson
Governor

Maxine B. Moul
Lieutenant Governor

Donald B. Stenberg
Attorney General

John A. Breslow
Auditor of Public Accounts

Allen J. Beermann
Secretary of State

Dawn E. Rockey
Treasurer

JUDICIAL

William C. Hastings
Chief Justice
Supreme Court of Nebraska (7 Judges)

LEGISLATIVE

Dennis Baack
Speaker of the Legislature
Nebraska Unicameral (49 Senators)

STATE OF NEBRASKA

DEPARTMENT OF ADMINISTRATIVE SERVICES
Lawrence S. Primeau
Director
P.O. Box 94664
Lincoln, Nebraska 68509-4664
Phone (402) 471-2331

E. Benjamin Nelson
Governor

December 16, 1993

The Honorable E. Benjamin Nelson, Governor
Members of the Legislature
Citizens of the State of Nebraska

We are pleased to present the Comprehensive Annual Financial Report of the State of Nebraska (State) for the fiscal year ended June 30, 1993. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the Department of Administrative Services, Accounting Division. We are confident the data presented is accurate in all material respects, is presented in a manner that fairly sets forth the financial position and results of operations of the State as measured by the financial activity of its various funds, and that all disclosures necessary to enable the reader to gain an understanding of the State's financial position and results of operations have been included.

This report has been prepared in accordance with generally accepted accounting principles (GAAP) for governments as established by the Governmental Accounting Standards Board (GASB).

Of the GASB pronouncements with effective dates beginning after June 30, 1993, only GASB Statement 16 has been early implemented. The effects of implementing GASB Statement 16, which deals with compensated absences, are shown in Note 10. The State has not determined the impact on the financial statements for pronouncements not implemented.

The Comprehensive Annual Financial Report is presented in three sections as follows:

- The Introductory Section includes this transmittal letter, the State's organizational chart and a list of principal officials.
- The Financial Section includes the auditor's report, general purpose financial statements, required supplementary information, and the combining and individual fund and account group financial statements and schedules.
- The Statistical Section includes selected financial and demographic information, generally presented on a multi-year basis.

This report includes all funds and account groups of the State. The State provides a full range of services, including: the construction and maintenance of highways and infrastructure, education, social and health

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services, public safety, conservation of natural resources, economic development, and recreation facilities and development. In addition to general government activities, the Legislature and Governor exercise, or have the ability to exercise oversight of the Nebraska Public Employees Retirement System, the Nebraska Unemployment Compensation Fund, and the Nebraska Research and Development Authority.

ECONOMIC CONDITION AND OUTLOOK

Revenues and Expenditures

A major factor in all financial and budget decisions will be the amount of revenue available to finance funding requests and initiatives. Current cash basis projections anticipate net general fund cash receipts of $1.665 billion during the fiscal year ending June 30, 1994, a 9.2 percent increase over 1993 actual receipts. A significant portion of this revenue is dependent on individual income tax and sales and use tax, both of which are directly related to personal income. Through the end of November, net general fund receipts have exceeded projections of $620.6 million by $2.7 million.

During the last Legislative Session, several appropriation bills were passed and signed by the Governor that will bring the total State General Fund cash basis appropriation for fiscal year 1994 to $1.62 billion (up 1.86 percent from 1993). The fiscal year 1995 appropriation will increase to $1.70 billion (up 4.80 percent from 1994). The total biennium appropriation of $3.32 billion is projected to result in a June 30, 1995, reserve amount of $126.3 million or 3.8 percent. This reserve amount is within the 3 to 7 percent reserve requirement required by the Constitution and State Statutes.

Economy

The outlook by the Bureau of Business Research at the University of Nebraska – Lincoln for 1993 and 1994 calls for continued moderate growth both in the nation and Nebraska. Nebraska's employment growth will likely keep pace with the national rate in 1993. However, by 1994, they anticipate that the national employment growth rate is likely to exceed the State's.

Solid gains in employment will work their way through to increases in wages and salaries. Wage and salary gains, in turn, will become gains in total personal income. Increased spending money will result in increased retail sales, especially auto sales. State trends are as follows:

	1990	1991	1992	1993	1994
Employment:					
Annual Totals	730,026	736,171	738,506	748,544	758,196
Growth Rates	3.1%	0.8%	0.3%	1.4%	1.3%
Personal Income:					
Annual Totals	27,302	28,329	30,641	31,805	33,166
Growth Rates	8.1%	3.8%	8.2%	3.8%	4.3%
Net Taxable Retail Sales Growth Rates:					
Total	4.3%	3.2%	4.8%	5.5%	4.9%
Motor Vehicle Sales	0.9%	– 5.8%	4.0%	9.0%	5.2%
Non-motor Vehicle Sales	4.8%	4.5%	4.9%	5.1%	4.9%
U.S. Consumer Price Index	5.4%	4.2%	3.0%	3.1%	3.2%

While 1992 was reported as a very good year for net farm income, with a 62.6 percent increase in farm proprietors' income, this year's farm

income will not repeat this performance. The severe weather during the 1993 growing season has reduced yields. In addition, the nation's large carryover in corn will continue to put downward pressure on prices. Livestock numbers are up somewhat and may soften prices. It is expected that net farm income for 1993 will be down 10.0 percent. While 1994 is impossible to predict because of the effect of the weather, decreased federal government payments will result in reduced net farm income.

MAJOR INITIATIVES

Income Tax Reform

During 1993, the Legislature approved the Governor's income tax bill. This legislation made corrections to structural deficiencies in the State's income tax system by reducing the tax burden of low and middle income working families and distributing the tax burden for middle income taxpayers on a more consistent basis through the tax brackets.

These changes were made as a result of the shift that occurred in 1987 when Nebraska decoupled from the federal tax system. It is anticipated that approximately 400,000 filers will receive tax decreases under this plan, while keeping the income tax rate under seven percent of the highest tax bracket.

Lottery

In November 1992, voters approved an amendment to the State's Constitution allowing the establishment of a state-run lottery. The State Lottery Act, enacted in 1993, authorizes a "scratch ticket" instant-win lottery, a random number selection on-line lottery, and a regional lottery, all under the administration of the Department of Revenue. Tickets will be sold at retail outlets, including grocery and convenience stores.

After the payment of prizes, expenses and initial start-up costs, proceeds are to be used for education, the environment, landfill closure, and assistance to problem gamblers. Projected first year sales for the Nebraska lottery have been set at $30 million. In the first three months of sales which began in September 1993, 60 percent of that goal had been reached with sales in excess of $18 million.

Medicaid

During the past year, a series of Medicaid program changes were implemented to generate revenues and cost savings of about $20 million during the current biennium. Costs will be reduced by waiving certain nursing home staffing requirements, placing restrictions on the creation of trusts to shelter assets from use in Medicaid eligibility determinations, limiting the use of selected optional services, and adding a requirement for copayments and deductibles.

Additional revenues are made available to the Medicaid program through a tax on physicians license fees and through intergovernmental transfers.

Workers' Compensation Reform

Legislation was enacted which significantly changes workers' compensation laws. Changes resulted in improved safety to workers and reduced insurance requirements and premiums. Managed care packages are created which still provide for some choice of physicians and health care plans. The legislation also creates worker safety committees to stop accidents before they happen. The regulation process is streamlined, so that claims can be settled and benefits received by injured workers in a more timely manner.

FINANCIAL INFORMATION

Internal Controls

Management of the State is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the State are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgeting Controls

Budgetary control is maintained through legislative appropriation and the executive branch allotment process. A budget is required to be adopted through passage of appropriation bills by the Legislature. The appropriated funds are allocated by program and are controlled by the executive branch through an allotment process. This process allocates the appropriation by program and fund type. The Legislature may also enact a supplemental appropriation bill and other appropriation bills as it deems necessary.

State law does not require encumbrance accounting, although there is a provision in the law for agencies to encumber items at the end of one biennium to be carried over to the next biennium. Because the encumbrance process is not mandatory, the State does not record encumbrances on its financial statements.

The State's budgetary process is explained in detail in Note 2 of the notes to the financial statements.

General Government Functions

General governmental activities are accounted for in three governmental fund types. These fund types are the: general, special revenue and capital projects funds. The debt service fund is not utilized because there are no outstanding revenue bonds. Revenue and other financing sources for general governmental functions totaled $2.91 billion for the fiscal year ending June 30, 1993, an increase of 2.39 percent over revenues for the fiscal year ending June 30, 1992.

The State's most significant sources of revenue are its retail sales tax, individual income tax and Federal grants and contracts.

As of June 30, 1993, the following tax rates were in effect:

TYPE	PERCENT	DATE OF LAST CHANGE
Sales and Use Tax	5.0%	July 10, 1990
Corporate Income Tax	5.58% and 7.81%	January 1, 1991
Individual Income Tax	2.62% to 6.99%	January 1, 1993

The corporate income tax rate is comprised of two brackets that break at $50,000 of taxable income. There are four individual income tax brackets that break at various amounts depending on filing status. Nebraska income is based on federal adjusted gross income minus a standard deduction or itemized deductions and personal exemptions. A personal exemption credit replaces the deduction for personal exemptions. The personal exemption credit is $65 for 1993. The credit is phased out as federal adjusted gross income increases for higher income taxpayers.

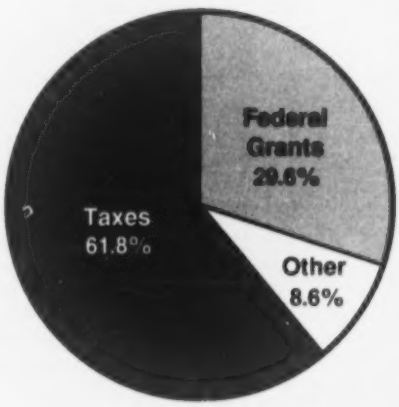
Revenue from various sources for fiscal year 1993 and the amount and percentage of increases and decreases in relation to the prior fiscal year are as follows (expressed in thousands):

REVENUES AND OTHER FINANCING SOURCES	AMOUNT	PERCENT OF TOTAL	INCREASE (DECREASE) FROM 1992	PERCENT OF INCREASE (DECREASE)
Income Taxes	$ 780,823	26.87%	$ 21,991	2.90 %
Sales and Use Tax	653,455	22.49	(10,747)	(1.62)%
Petroleum Tax	227,228	7.82	5,743	2.59 %
Other Taxes	133,066	4.58	18,837	16.49 %
Federal Grants and Contracts	859,581	29.58	31,225	3.77 %
Licenses, Fees and Permits	106,958	3.68	6,618	6.60 %
Charges for Services	47,965	1.65	3,525	7.93 %
Investment Income	24,320	0.84	(12,076)	(33.18)%
Rents and Royalties	6,265	0.22	(605)	(8.81)%
Other	27,331	0.94	8,734	46.96 %
Total Revenues	2,866,992	98.66	73,245	2.62 %
Other Financing Sources	38,795	1.34	(5,494)	(12.40)%
Total Revenues and Other Financing Sources	$2,905,787	100.00%	$ 67,751	2.39 %

Increases in revenues are highlighted by:

- Income taxes increased by $22.0 million or 2.90 percent. This increase correlates closely with the increase in personal income. Sales and Use taxes decreased by $10.7 million or 1.62 percent during the period in which net taxable retail sales was increasing at a rate of 5.5 percent. We believe that this results in part from certain tax incentives initiated in previous years to spur the State's economy.
- Other taxes increased by $18.8 million or 16.5 percent. Of this increase, Estate taxes increased by approximately $8.0 million. Other miscellaneous taxes accounted for the remainder of the increase.
- Federal Grants and Contracts increased by $31.2 million. This increase is primarily due to increases in the cost of the Medicaid program, which resulted in an increase in the amount reimbursed from the Federal government for their share.
- Investment income decreased by $12.1 million. This decrease is attributed to a 24.1 percent decrease in the rate of return on the investment pool in which temporary cash balances are invested and a slight decrease in the average cash balances for the year.

REVENUES – 1993



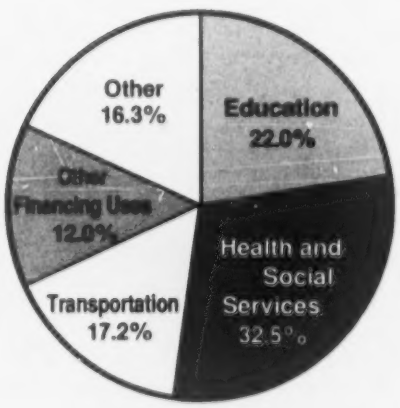
Expenditures and other financing uses for general government activities totaled $2.97 billion for fiscal year ending June 30, 1993, representing a 3.18 percent increase from 1992. General government expenditures by function for fiscal year 1993 and the amount and percentage of increases and decreases in relation to the prior fiscal year are as follows (expressed in thousands):

EXPENDITURES AND OTHER FINANCING USES	AMOUNT	PERCENT OF TOTAL	INCREASE (DECREASE) FROM 1992	PERCENT OF INCREASE (DECREASE)
Current:				
General Government	$ 70,275	2.36%	$ 924	1.33 %
Conservation of Natural Resources	55,860	1.88	4,833	9.47 %
Culture – Recreation	14,501	0.49	746	5.42 %
Economic Development and Assistance	55,684	1.87	1,283	2.36 %
Education	653,332	21.97	24,793	3.94 %
Health and Social Services	967,959	32.55	76,433	8.57 %
Public Safety	109,404	3.68	(11,369)	(9.41)%
Regulation of Business and Professions	40,647	1.37	2,547	6.69 %
Transportation	511,154	17.19	33,994	7.12 %
Miscellaneous Aid to Local Governments	124,316	4.18	(33,222)	(21.09)%
Capital Projects	10,552	0.35	5,913	127.46 %
Debt Service	1,221	0.04	20	1.67 %
Total Expenditures	2,614,905	87.94	106,895	4.26 %
Other Financing Uses	358,531	12.06	(15,365)	(4.11)%
Total Expenditures and Other Financing Uses	$2,973,436	100.00%	$ 91,530	3.18 %

Increases in expenditures were highlighted by:

- Education increased $24.8 million or 3.94 percent. Of this amount, approximately $18.4 million is attributable to increases in State Aid to Schools and Special Education aid payments.
- Health and Social Services increased $76.4 million. Approximately 90 percent of this increase is due to an increase in aid payments in the Medicaid, Aid to Families with Dependent Children (AFDC) and Title XX programs administered by the Department of Social Services. Other minor programs and administrative cost increases account for the remainder of the increase.
- Public Safety expenditures dropped by $11.4 million. This drop is the result of the way that the State is accounting for certain disaster related expenditures that are included as public safety outlays.
- Transportation related expenditures increased by $34.0 million due to an increase in road construction expenditures.
- Miscellaneous Aid to Local Governments decreased by $33.2 million. This is attributed to a one time property tax relief to local units of government for loss of 1991 personal property taxes resulting from a State Supreme Court ruling. Payments attributable to this aid program decreased by $31.3 million, accounting for most of the decrease.
- Capital Projects increases are attributable to the construction of three prison facilities during 1993.

EXPENDITURES – 1993

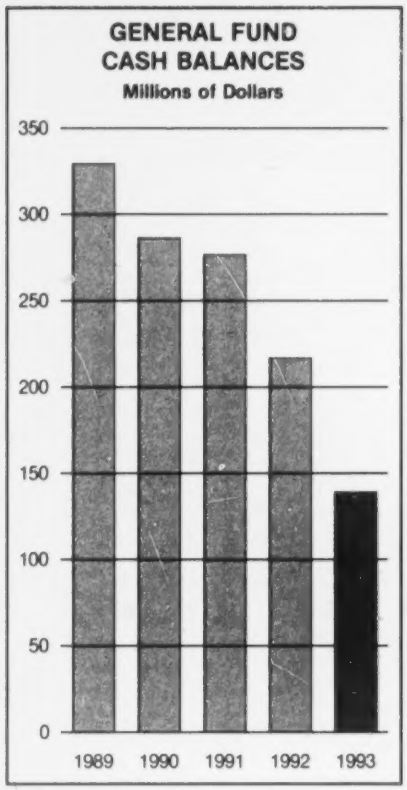


Fund Conversion

The State's budgetary funds are grouped into the appropriate generic fund types to report the State's financial activity in conformance with GAAP. Approximately 500 budgetary funds have been grouped into the 60 individual funds that are included in the financial statements. Note 2 of the financial statements includes a matrix that shows the perspective differences that result from this conversion.

General Fund Balance

The fund balance of the General Fund decreased by $91.1 million to a total of $30.3 million at June 30, 1993. The cash balance of the General Fund was $138.9 million. Current cash flow projections place the June 30, 1994, cash balance at approximately $203.8 million.



As detailed in Note 10, the State's Cash Reserve Fund has been blended into the General Fund to more accurately reflect the nature and usage of the fund.

Proprietary Operations

There is one public benefit corporation included in the financial statements as an enterprise fund. This corporation was established to foster innovation in existing value-added industries and provide seed capital for existing and emerging industries.

The State has several internal service funds which provide a variety of services to State agencies. These include computer services, transportation services, telecommunications, printing, general services, building management, risk management and other services. The operating revenues for the internal service funds were $77.1 million for fiscal year 1993. These funds ended the year with total retained earnings of $15.4 million, that is equivalent to approximately two months of operating expenses. The fund deficit for the risk management fund results from unfunded workers' compensation claims that are being paid when due.

Retirement Systems

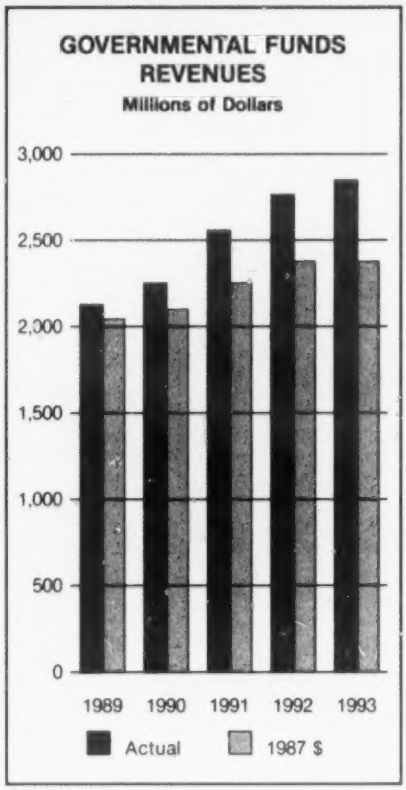
Total net assets of the State's pension trust funds reached $1.536 billion. These are the assets of the three defined benefit plans that are administered by the State: School, Judges and State Patrol retirement plans. The County and State employees retirement plans are defined contribution plans administered by a third party.

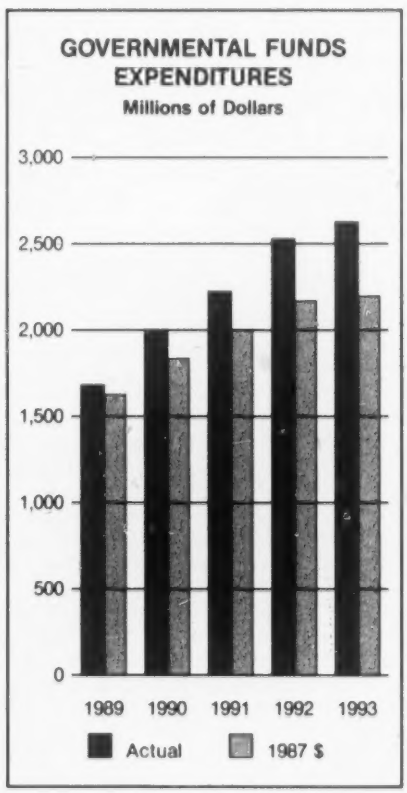
Debt Administration

Article XIII of the State's Constitution prohibits the State from incurring debt in excess of one hundred thousand dollars. However, there is a provision in the Constitution that permits the issuance of revenue bonds for: (1) construction of highways; and (2) construction of water conservation and management structures. At June 30, 1993, there was no outstanding debt for either of these purposes. The State can enter into capital lease and other financing contracts provided that the contracts include cancellation clauses if the Legislature does not appropriate funds to continue the lease or financing arrangement.

There is $6.0 million of bonds payable by a separate legal entity that has been blended into the financial activity of the State. These bonds do not represent a general obligation of the State and are secured by revenues from the equipment that the debt was incurred to purchase.

The Constitution also authorizes the Board of Regents of the University of Nebraska, the Board of Trustees of the Nebraska State Colleges, and the State Board of Education to issue revenue bonds to construct, purchase, or remodel educational buildings and facilities. The payment of these bonds is generally made from revenue collected from use of the buildings and facilities. At June 30, 1993, $46.4 million of bonds were outstanding.





The Legislature has authorized the creation of two financing authorities that are not subject to State constitutional restrictions on the incurrence of debt. These financing authorities were organized to assist in providing funds for the construction of capital improvement projects at the Colleges and Universities. At June 30, 1993, these authorities had $67.7 million of bonds outstanding. Although the State has no legal responsibility for the debt of these financing authorities, they are considered part of the reporting entity.

Risk Management

The State does not insure a significant portion of its buildings or their contents against theft, fire or other risks. Workers' compensation coverage is provided on a self-insurance basis.

Commercial insurance coverage has been purchased for automobile liability, employees errors or omissions, and employee health and accident claims.

Cash Management

All cash is required to be deposited with the State Treasury. With the assistance of the State Investment Officer, the State Treasurer pools all cash in the Short Term Investment Pool (STIP) which is comprised of short-term instruments. Interest earnings are credited on a monthly basis to each fund that the Legislature has designated as eligible to earn interest. All interest earnings not credited to other funds is deposited in the General Fund.

At June 30, 1993, there was $728.2 million invested in the STIP. This was invested as follows: 62.8 percent in government securities; 12.8 percent in money market funds; 9.0 percent in commercial paper; 8.8 percent in other investments; and 7.2 percent in certificates of deposit. For the fiscal year ending June 30, 1993, the average daily balance of $768.9 million returned $33.8 million, a 4.40 percent yield. This yield represents a decrease of 1.40 percent from 1992.

State law requires that all public funds deposited in banks be secured by the bank by maintaining, at all times, an aggregate amount of securities equal to 10 percent more than the amount on deposit, less the $100,000 insured by the Federal Deposit Insurance Corporation (FDIC).

It is the State's policy to continually monitor the clearing and depository banks for compliance with this law.

General Fixed Assets

The general fixed assets of the State are those fixed assets used in performance of general governmental functions. They do not include infrastructure (roads, bridges, flood control projects, etc.) or fixed assets of proprietary funds and the colleges and universities.

At June 30, 1993, the general fixed assets of the State amounted to $457.6 million. This amount represents the valuation of general fixed assets in accordance with GAAP and the State's capitalization policy as described in Note 1 of the Notes to the Financial Statements.

AUDITS

The Auditor of Public Accounts and the firm of Deloitte & Touche have jointly audited the general purpose financial statements and their report is included in the Financial Section of this report. Again this year, this report includes an unqualified opinion on the financial statements. The audit was conducted in accordance with generally accepted auditing

standards. The required reports on internal control and compliance with laws and regulations are included as part of the state-wide Single Audit report.

The audit described above is not intended to meet the requirements of the Federal Single Audit Act of 1984. For the first time, a state-wide Single Audit report was completed for fiscal year 1992. The State will again issue a state-wide single audit for fiscal year 1993. Prior to 1992, this report was issued on an agency-by-agency basis.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the State of Nebraska for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 1992. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR whose contents conform to rigorous program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The State of Nebraska has received a Certificate of Achievement for the last two consecutive years. We believe that our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA.

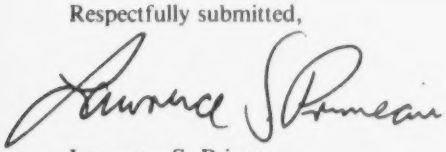
CONCLUSION

This report continues our commitment to comprehensive disclosure of the State's financial condition. We are committed to issuing reports that are informative and meet governmental accounting standards. Reports that meet these standards provide the reader with an opportunity to make more informed judgments about the government's financial position and results of operations.

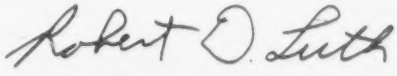
The 1993 Comprehensive Annual Financial Report represents our commitment to this goal. We wish to express our appreciation to the Department of Administrative Services accounting staff and the budget and accounting staff throughout State government for their assistance in the preparation of this report.

Your comments and suggestions are welcome.

Respectfully submitted,



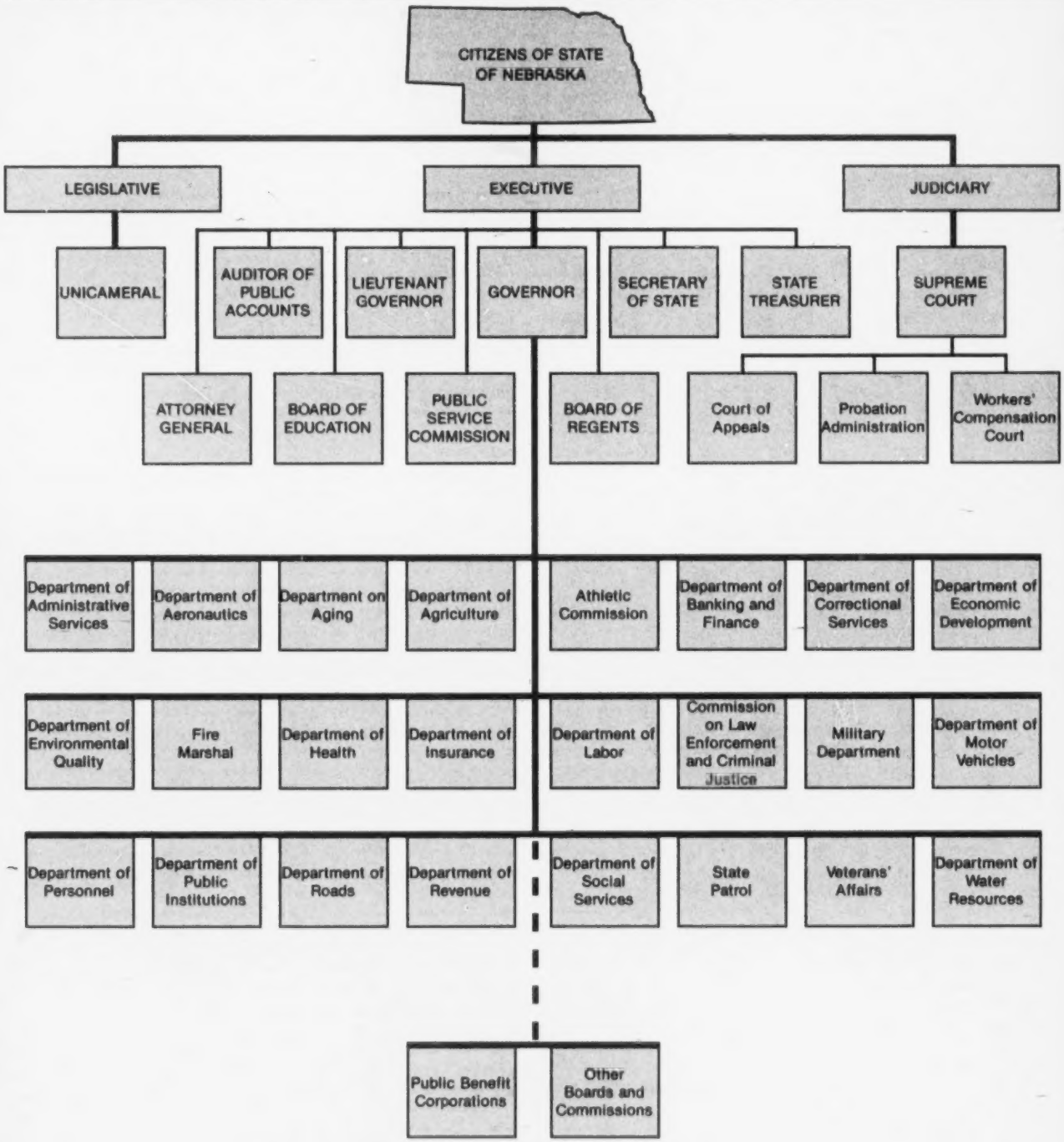
Lawrence S. Primeau
Director, Department of
Administrative Services



Robert D. Luth
State Accounting
Administrator

State of Nebraska

ORGANIZATION CHART



Certificate of Achievement for Excellence in Financial Reporting

Presented to

State of Nebraska

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 1992

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

Arnold L. Hahn
President

Jeffrey L. Esser
Executive Director

ASH HOLLOW

Sweet spring water made Ash Hollow State Historical Park near Lewellen a major stopover on the Overland Trail and prompted prehistoric Indians to use it, too. Ruts etched by westbound wagons are visible on the bluffs at Windlass Hill. The history, archaeology and paleontology of the area are interpreted at the visitor center, Ash Hollow Cave and exhibits and structures.

FINANCIAL SECTION

Deloitte & Touche

STATE OF NEBRASKA

Auditor of Public Accounts

INDEPENDENT AUDITORS' REPORT

The Honorable Governor,
Members of the Legislature and
Citizens of the State of Nebraska

We have audited the accompanying general purpose financial statements of the State of Nebraska as of June 30, 1993, and for the year then ended, listed in the foregoing table of contents. These general purpose financial statements are the responsibility of the State's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit. We did not audit the financial statements of Chadron and Wayne State Colleges, which represent 6% and 4%, respectively, of the total assets and total revenues and other additions of the Colleges and Universities Fund. We did not audit the financial statements of the Nebraska Research and Development Authority, which are shown as the enterprise fund. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Colleges and Universities and Enterprise funds, is based solely on the reports of the other auditors.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audit and the reports of other auditors, such general purpose financial statements present fairly, in all material respects, the financial position of the State of Nebraska at June 30, 1993, and the results of its operations and the cash flows of its proprietary fund types and non-expendable trust funds for the year then ended in conformity with generally accepted accounting principles.

As discussed in Note 10 to the general purpose financial statements, the fund balances/retained earnings of certain fund types and certain balances within account groups have been restated as a result of reclassification of certain funds and to more accurately reflect accounting practices. The State also changed its method of accounting for compensated absences to conform with Governmental Accounting Standards Board Statement No. 16, and retroactively restated beginning retained earnings of the Internal Service Fund and certain balances in the General Long-Term Debt Account Group.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The introductory section, the combining and individual fund statements and schedules within the financial section and the statistical section listed in the foregoing table of contents, which are also the responsibility of the management of the State of Nebraska, are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the State of Nebraska. Such additional information, except for the introductory and statistical sections, on which we express no opinion, has been subjected to the auditing procedures applied in our audit of the general purpose financial statements and, in our opinion, based on our audit and the reports of other auditors, is fairly presented in all material respects when considered in relation to the general purpose financial statements taken as a whole.

The required supplementary information on pages 57 through 60 is not a required part of the general purpose financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Deloitte & Touche

Deloitte & Touche

Don Dunlap

Assistant Deputy State Auditor

Lincoln, Nebraska
December 16, 1993

CHADRON STATE PARK

The majestic beauty of the Pine Ridge forms the backdrop for this great, get-away-from-it-all state park, nine miles south of Chadron. At an elevation of nearly 5,000 feet, the 972-acre park lies in the heart of the Nebraska National Forest, and is dominated by ponderosa pines. There are 22 modern, two-bedroom, housekeeping cabins available from mid-April to mid-November, plus a group camp/conference facility.

COMBINED STATEMENTS – OVERVIEW

State of Nebraska

COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS

June 30, 1993

(Dollars in Thousands)

	GOVERNMENTAL FUND TYPES		
	GENERAL	SPECIAL REVENUE	CAPITAL PROJECTS
ASSETS:			
Cash and Cash Equivalents	$ 138,925	$ 295,873	$ 8,371
Cash on Deposit with Fiscal Agents	-	-	-
Investments	-	8,602	-
Receivables, net of allowance			
Due from Federal Government	10	87,538	-
Loans	2,164	43,559	-
Other	6,765	20,690	109
Due from Other Funds	2,619	2,115	332
Inventories	-	11,781	-
Prepaid Items	232	136	-
Property, Plant, and Equipment, net	-	-	-
Other	329	770	-
Amount Available for Debt Service	-	-	-
Amount to be Provided For Retirement of General Long-Term Obligations	-	-	-
TOTAL ASSETS	$ 151,044	$ 471,064	$ 8,812
LIABILITIES, FUND EQUITY AND OTHER CREDITS			
LIABILITIES:			
Accounts Payable	$ 13,422	$ 54,432	$ 1,185
Accrued Liabilities	70,450	44,067	-
Due to Other Governments	8,761	8,682	-
Deposits	333	3,062	-
Deferred Compensation Payable	-	-	-
Due to Other Funds	26,121	4,850	132
Notes Payable	-	-	-
Bonds Payable	-	-	-
Capitalized Lease Obligations	-	-	-
Obligations under Other Financing Arrangements	-	-	-
Accrued Compensated Absences	-	-	-
Deferred Revenue	1,624	-	-
Other	-	666	-
TOTAL LIABILITIES	120,711	115,759	1,317
FUND EQUITY AND OTHER CREDITS:			
Investment in Fixed Assets	-	-	-
Contributed Capital	-	-	-
Retained Earnings	-	-	-
Fund Balances:			
Reserved for:			
Long-Term Receivables	2,164	43,559	-
Inventory and Prepaid Items	232	11,917	-
Debt Service	-	4,490	-
Unemployment Compensation Benefits	-	-	-
Claims	-	-	-
Endowment Principal	-	-	-
Pension Benefits	-	-	-
Unreserved:			
Designated for Colleges and Universities	-	-	-
Designated for Cash Shortages	27,937	-	-
Undesignated	-	295,339	7,495
TOTAL FUND EQUITY AND OTHER CREDITS	30,333	355,305	7,495
TOTAL LIABILITIES, FUND EQUITY AND OTHER CREDITS	$ 151,044	$ 471,064	$ 8,812

See Accompanying Notes to Combined Financial Statements.

PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPE	ACCOUNT GROUPS			
ENTERPRISE	INTERNAL SERVICE	TRUST AND AGENCY	GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	COLLEGES AND UNIVERSITIES	TOTALS (MEMORANDUM ONLY)
$ 205	$ 23,384	$ 279,634	$ -	$ -	$ 146,330	$ 892,722
-	-	-	-	-	77,316	77,316
2,146	460	1,727,922	-	-	23,237	1,762,367
-	-	-	-	-	-	87,548
-	-	-	-	-	29,035	74,758
3,482	1,017	37,181	-	-	99,659	168,903
-	5,977	11,457	-	-	27,001	49,501
-	1,326	-	-	-	10,199	23,306
-	596	19	-	-	5,173	6,156
24	22,026	-	457,625	-	961,263	1,440,938
-	-	1,866	-	-	-	2,965
-	-	-	-	4,490	-	4,490
-	-	-	-	75,426	-	75,426
$ 5,857	$ 54,786	$ 2,058,079	$ 457,625	$ 79,916	$ 1,379,213	$ 4,666,396
$ 6	$ 2,521	$ 4,890	$ -	$ -	$ 23,379	$ 99,835
-	22,004	29,385	-	1,846	34,595	202,347
-	-	23,870	-	-	-	41,313
-	530	940	-	-	2,042	6,907
-	-	43,796	-	-	-	43,796
-	134	6,120	-	-	12,144	49,501
-	-	-	-	-	87	87
-	-	-	-	6,040	114,113	120,153
-	10,673	-	-	683	48,755	60,111
-	-	-	-	15,935	-	15,935
-	1,457	58	-	55,412	22,574	79,501
-	61	2,802	-	-	13,785	18,272
-	-	12,297	-	-	-	12,963
6	37,380	124,158	-	79,916	271,474	750,721
-	-	-	457,625	-	798,421	1,256,046
-	2,036	-	-	-	-	2,036
5,851	15,370	-	-	-	-	21,221
-	-	-	-	-	-	45,723
-	-	-	-	-	-	12,149
-	-	-	-	-	-	4,490
-	-	179,522	-	-	-	179,522
-	-	44,511	-	-	-	44,511
-	-	148,077	-	-	-	148,077
-	-	1,536,264	-	-	-	1,536,264
-	-	-	-	-	309,318	309,318
-	-	-	-	-	-	27,937
-	-	25,547	-	-	-	328,381
5,851	17,406	1,933,921	457,625	-	1,107,739	3,915,675
$ 5,857	$ 54,786	$ 2,058,079	$ 457,625	$ 79,916	$ 1,379,213	$ 4,666,396

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State of Nebraska

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS

For the Year Ended June 30, 1993

(Dollars in Thousands)

	GOVERNMENTAL FUND TYPES			FIDUCIARY FUND TYPE	TOTALS
	GENERAL	SPECIAL REVENUE	CAPITAL PROJECTS	EXPENDABLE TRUST	(MEMORANDUM ONLY)
REVENUES:					
Taxes	$ 1,457,310	$ 329,332	$ 7,930	$ 60,609	$ 1,855,181
Federal Grants and Contracts	160	858,918	503	-	859,581
Licenses, Fees and Permits	15,967	90,991	-	-	106,958
Charges for Services	6,107	41,858	-	2,911	50,876
Investment Income	10,199	13,874	247	17,714	42,034
Rents and Royalties	-	6,265	-	16,384	22,649
Insurance Premiums	-	-	-	71,583	71,583
Other	4,819	22,500	12	6,739	34,070
TOTAL REVENUES	1,494,562	1,363,738	8,692	175,940	3,042,932
EXPENDITURES:					
Current:					
General Government	61,837	8,438	-	64,435	134,710
Conservation of Natural Resources	23,562	32,298	-	-	55,860
Culture - Recreation	4,308	10,193	-	-	14,501
Economic Development and Assistance	3,957	51,727	-	-	55,684
Education	531,549	121,783	-	26,307	679,639
Health and Social Services	422,430	545,529	-	5,187	973,146
Public Safety	91,553	17,851	-	-	109,404
Regulation of Business and Professions	5,515	35,132	-	-	40,647
Transportation	562	510,592	-	-	511,154
Unemployment Claims	-	-	-	63,006	63,006
Miscellaneous Aid to Local Governments	124,316	-	-	-	124,316
Capital Projects	-	-	10,552	-	10,552
Debt Service:					
Principal	-	595	-	-	595
Interest	-	626	-	-	626
TOTAL EXPENDITURES	1,269,589	1,334,764	10,552	158,935	2,773,840
Excess of Revenues Over (Under) Expenditures	224,973	28,974	(1,860)	17,005	269,092
OTHER FINANCING SOURCES (USES):					
Operating Transfers In	5,337	15,114	15,744	11,588	47,783
Operating Transfers Out	(330,188)	(19,419)	(8,924)	(3,582)	(362,113)
Proceeds from Other Financing Arrangements	-	2,340	-	-	2,340
Proceeds from Capital Leases	260	-	-	-	260
TOTAL OTHER FINANCING SOURCES (USES)	(324,591)	(1,965)	6,820	8,006	(311,730)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(99,618)	27,009	4,960	25,011	(42,638)
FUND BALANCES, JULY 1, AS RESTATED	121,451	336,296	2,535	224,569	684,851
Residual Equity Transfers	8,500	(8,000)	-	-	500
FUND BALANCES, JUNE 30	$ 30,333	$ 355,305	$ 7,495	$ 249,580	$ 642,713

See Accompanying Notes to Combined Financial Statements.

State of Nebraska

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL (BUDGETARY BASIS) GENERAL, CASH, CONSTRUCTION, FEDERAL AND REVOLVING FUNDS

For the Year Ended June 30, 1993

(Dollars in Thousands)	GENERAL FUND TYPE		
	BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:			
Taxes	$ 1,471,292	$ 1,475,454	$ 4,162
Federal Grants and Contracts	150	150	-
Sales and Charges	21,976	21,976	-
Other	15,980	15,980	-
TOTAL REVENUE	1,509,398	1,513,560	4,162
EXPENDITURES:			
General Government	65,721	61,832	3,889
Conservation of Natural Resources	31,270	23,889	7,381
Culture - Recreation	4,566	4,223	343
Economic Development and Assistance	4,256	3,964	292
Education	863,003	846,612	16,391
Health and Social Services	437,998	434,770	3,228
Public Safety	102,511	92,446	10,065
Regulation of Business and Professions	5,809	5,482	327
Transportation	565	565	-
Miscellaneous Aid to Local Governments	126,054	123,705	2,349
Capital Projects	-	-	-
TOTAL EXPENDITURES	1,641,753	1,597,488	44,265
Excess of Revenues Over (Under) Expenditures	(132,355)	(83,928)	48,427
OTHER FINANCING SOURCES (USES):			
Operating Transfers In	14,335	14,335	-
Operating Transfers Out	(18,823)	(18,823)	-
Other	426	426	-
TOTAL OTHER FINANCING SOURCES (USES)	(4,062)	(4,062)	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(136,417)	(87,990)	48,427
FUND BALANCES, JULY 1	198,717	198,717	-
FUND BALANCES, JUNE 30	$ 62,300	$ 110,727	$ 48,427

See Accompanying Notes to Combined Financial Statements.

CASH RESERVE AND CASH FUND TYPE			CONSTRUCTION FUND TYPE			FEDERAL FUND TYPE		
BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
$ 34,956	$ 34,956	$ -	$ 12,306	$ 12,306	$ -	$ -	$ -	$ -
172,870	172,870	-	-	-	-	845,850	845,850	-
363,324	363,324	-	-	-	-	3,228	3,228	-
39,430	39,430	-	242	242	-	17,147	17,147	-
610,580	610,580	-	12,548	12,548	-	866,225	866,225	-
21,162	10,895	10,267	-	-	-	987	576	411
28,721	19,820	8,901	-	-	-	31,987	17,401	14,586
10,307	9,273	1,034	-	-	-	1,295	1,093	202
29,651	8,146	21,505	-	-	-	50,170	43,220	6,950
349,807	300,876	48,931	19,904	12,308	7,596	259,952	220,845	39,107
45,550	38,504	7,046	-	-	-	566,977	560,797	6,180
14,202	8,220	5,982	-	-	-	21,806	18,715	3,091
55,408	34,096	21,312	-	-	-	706	466	240
480,294	392,738	87,556	-	-	-	80	27	53
-	-	-	-	-	-	-	-	-
820	662	158	16,094	11,392	4,702	289	279	10
1,035,922	823,230	212,692	35,998	23,700	12,298	934,249	863,419	70,830
(425,342)	(212,650)	212,692	(23,450)	(11,152)	12,298	(68,024)	2,806	70,830
444,203	444,203	-	17,176	17,176	-	1,034	1,034	-
(239,660)	(239,660)	-	(636)	(636)	-	(1,005)	(1,005)	-
1,355	1,355	-	(448)	(448)	-	283	283	-
205,898	205,898	-	16,092	16,092	-	312	312	-
(219,444)	(6,752)	212,692	(7,358)	4,940	12,298	(67,712)	3,118	70,830
370,408	370,408	-	4,025	4,025	-	6,046	6,046	-
$ 150,964	$ 363,656	$ 212,692	$ (3,333)	$ 8,965	$ 12,298	$ (61,666)	$ 9,164	$ 70,830

This statement continued on next page.

State of Nebraska

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL (BUDGETARY BASIS) GENERAL, CASH, CONSTRUCTION, FEDERAL AND REVOLVING FUNDS (Continued)

For the Year Ended June 30, 1993

(Dollars in Thousands)	REVOLVING FUND TYPE		
	BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:			
Taxes	$ -	$ -	$ -
Federal Grants and Contracts	193	193	-
Sales and Charges	249,121	249,121	-
Other	38,619	38,619	-
TOTAL REVENUE	287,933	287,933	-
EXPENDITURES:			
General Government	93,079	71,400	21,679
Conservation of Natural Resources	-	-	-
Culture - Recreation	-	-	-
Economic Development and Assistance	1,186	368	818
Education	248,136	199,532	48,604
Health and Social Services	-	-	-
Public Safety	6,030	4,082	1,948
Regulation of Business and Professions	-	-	-
Transportation	-	-	-
Miscellaneous Aid to Local Governments	-	-	-
Capital Projects	-	-	-
TOTAL EXPENDITURES	348,431	275,382	73,049
Excess of Revenues Over (Under) Expenditures	(60,498)	12,551	73,049
OTHER FINANCING SOURCES (USES):			
Operating Transfers In	6,429	6,429	-
Operating Transfers Out	(5,841)	(5,841)	-
Other	950	950	-
TOTAL OTHER FINANCING SOURCES (USES)	1,538	1,538	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(58,960)	14,089	73,049
FUND BALANCES, JULY 1	50,590	50,590	-
FUND BALANCES, JUNE 30	$ (8,370)	$ 64,679	$ 73,049

See Accompanying Notes to Combined Financial Statements.

State of Nebraska

COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS/FUND BALANCES - ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS

For the Year Ended June 30, 1993

(Dollars in Thousands)	PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES		TOTALS (MEMORANDUM ONLY)
	ENTERPRISE	INTERNAL SERVICE	PENSION TRUST	NONEXPENDABLE TRUST	
OPERATING REVENUES:					
Charges for Services	$ -	$ 76,663	$ -	$ -	$ 76,663
Contributions to Retirement System	-	-	106,953	-	106,953
Interest Income	32	-	54,595	6,687	61,314
Dividend Income	125	-	15,846	2,233	18,204
Gain (Loss) on Sale of Investments	-	-	89,651	9,453	99,104
Rents and Royalties	-	-	-	2,706	2,706
Other	-	474	824	1,006	2,304
TOTAL OPERATING REVENUES	157	77,137	267,869	22,085	367,248
OPERATING EXPENSES:					
Personal Services	229	16,236	853	-	17,320
Services and Supplies	115	46,296	3,389	197	49,997
Benefits	-	-	44,189	-	44,189
Refunds	-	-	5,173	-	5,173
Insurance Claims	-	2,500	-	-	2,500
Depreciation	13	8,514	-	-	8,527
TOTAL OPERATING EXPENSES	357	73,548	53,604	197	127,706
Operating Income (Loss)	(200)	3,589	214,265	21,888	239,542
NONOPERATING REVENUES (EXPENSES):					
Interest Income	-	1,004	-	-	1,004
Gain (Loss) on Sale of Fixed Assets	-	632	-	-	632
Other	1,100	(560)	-	-	540
TOTAL NONOPERATING REVENUES (EXPENSES)	1,100	1,076	-	-	2,176
Income Before Operating Transfers	900	4,665	214,265	21,888	241,718
OPERATING TRANSFERS:					
Operating Transfers In	-	-	-	11	11
Operating Transfers Out	-	-	-	(12,146)	(12,146)
TOTAL OPERATING TRANSFERS	-	-	-	(12,135)	(12,135)
Net Income	900	4,665	214,265	9,753	229,583
RETAINED EARNINGS/FUND BALANCES, JULY 1, AS RESTATED	4,951	11,205	1,321,999	138,324	1,476,479
Residual Equity Transfers	-	(500)	-	-	(500)
RETAINED EARNINGS/FUND BALANCES, JUNE 30	$ 5,851	$ 15,370	$ 1,536,264	$ 148,077	$ 1,705,562

See Accompanying Notes to Combined Financial Statements.

State of Nebraska

COMBINED STATEMENT OF CASH FLOWS ALL PROPRIETARY FUND TYPES AND NONEXPENDABLE TRUST FUNDS

For the Year Ended June 30, 1993

(Dollars in Thousands)	PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPE	TOTALS
	ENTERPRISE	INTERNAL SERVICE	NONEXPENDABLE TRUST	(MEMORANDUM ONLY)
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash Received from Customers	$ -	$ 3,550	$ 3,712	$ 7,262
Cash Received from Interfund Charges	-	74,783	-	74,783
Cash Paid to Employees	(229)	(16,023)	-	(16,252)
Cash Paid to Suppliers	(108)	(39,285)	(164)	(39,557)
Cash Paid for Insurance Claims	-	(4,506)	-	(4,506)
Cash Paid for Interfund Services	-	(6,443)	-	(6,443)
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	(337)	12,076	3,548	15,287
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Operating Transfers In	-	-	11	11
Operating Transfers Out	-	-	(8,983)	(8,983)
Residual Equity Transfers to General Fund	-	(500)	-	(500)
NET CASH PROVIDED BY (USED FOR) NONCAPITAL FINANCING ACTIVITIES	-	(500)	(8,972)	(9,472)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING:				
Acquisition and Construction of Capital Assets	-	(4,582)	-	(4,582)
Proceeds from Sale of Fixed Assets	1	697	-	698
Principal Paid on Capital Leases	-	(3,948)	-	(3,948)
Interest Paid on Capital Leases	-	(560)	-	(560)
NET CASH PROVIDED BY (USED FOR) CAPITAL AND RELATED FINANCING ACTIVITIES	1	(8,393)	-	(8,392)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchase of Investment Securities	-	(460)	(82,290)	(82,750)
Proceeds from Sale of Investment Securities	200	-	78,834	79,034
Purchase of Notes Receivable	(870)	-	-	(870)
Proceeds from Repayments of Notes Receivable	27	-	-	27
Interest and Dividend Income	157	891	9,200	10,248
NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES	(486)	431	5,744	5,689
NET INCREASE (DECREASE) IN CASH	(822)	3,614	320	3,112
CASH AND CASH EQUIVALENTS, JULY 1	1,027	19,770	1,081	21,878
CASH AND CASH EQUIVALENTS, JUNE 30	$ 205	$ 23,384	$ 1,401	$ 24,990

See Accompanying Notes to Combined Financial Statements.

State of Nebraska

COMBINED STATEMENT OF CASH FLOWS ALL PROPRIETARY FUND TYPES AND NONEXPENDABLE TRUST FUNDS (Continued)

For the Year Ended June 30, 1993

(Dollars in Thousands)	PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPE	TOTALS (MEMORANDUM ONLY)
	ENTERPRISE	INTERNAL SERVICE	NONEXPENDABLE TRUST	
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
Operating Income (Loss)	$ (200)	$ 3,589	$ 21,888	$ 25,277
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	13	8,514	-	8,527
Interest and Dividend Income	(157)	-	(8,920)	(9,077)
Gain on Sale of Investments	-	-	(9,453)	(9,453)
Change in Assets and Liabilities:				
Increase (Decrease) in Accounts Payable	(1)	375	33	407
Increase (Decrease) in Due to Other Funds	-	54	-	54
Increase (Decrease) in Accrued Liabilities	-	(1,791)	-	(1,791)
Increase (Decrease) in Deferred Revenue	-	(31)	-	(31)
(Increase) Decrease in Accounts Receivable	-	362	-	362
(Increase) Decrease in Due from Other Funds	-	1,112	-	1,112
(Increase) Decrease in Inventories	-	103	-	103
(Increase) Decrease in Prepaid Expenses	8	(211)	-	(203)
Total Adjustments	(137)	8,487	(18,340)	(9,990)
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	$ (337)	$ 12,076	$ 3,548	$ 15,287

NONCASH TRANSACTIONS:

Noncash transactions are investing and financing activities that affect assets and liabilities but do not result in cash receipts or payments. The following noncash transactions occurred during the year: the Enterprise Fund increased the value of assets by $1,085,000 and converted notes receivable into $300,000 of capital stock; Central Data Processing acquired fixed assets through capitalized leases of $6,756,000; and Other Internal Service received $249,000 of services in exchange for investment business.

RECONCILIATION OF CASH AND CASH EQUIVALENTS:

Expendable Trust	$ 220,704
Pension Trust	15,614
Nonexpendable Trust	1,401
Agency	41,915
TOTAL TRUST AND AGENCY	$ 279,634

State of Nebraska

COMBINED STATEMENT OF CHANGES IN FUND BALANCES - COLLEGE AND UNIVERSITY FUND TYPES

For the Year Ended June 30, 1993

(Dollars in Thousands)	CURRENT FUNDS		LOAN FUNDS
	UNRESTRICTED	RESTRICTED	
REVENUES AND OTHER ADDITIONS:			
Current Funds Revenues	$ 428,877	$ 448	$ -
Federal Grants and Contracts - Restricted	-	88,014	-
State Grants and Contracts - Restricted	-	11,211	-
Local Grants and Contracts - Restricted	-	4,240	-
Private Gifts, Grants and Contracts - Restricted	-	50,122	8
Additions to Trusteed Insurance Funds	-	-	-
Investment Income - Restricted	-	3,127	185
Realized Gains (Losses) on Investments - Restricted	-	-	5
Interest on Loans Receivable	-	-	644
U.S. Government Advances	-	-	867
Expended for Plant Facilities	-	-	-
Retirement of Indebtedness	-	-	-
Retirement of Capitalized Lease Obligations	-	-	-
Proceeds from Revenue Bonds, net of discount	-	-	-
Lease Revenue	-	-	-
Other Sources	53	-	49
TOTAL REVENUES AND OTHER ADDITIONS	428,930	157,162	1,758
EXPENDITURES AND OTHER DEDUCTIONS:			
Educational and General Expenditures	620,937	146,460	-
Auxiliary Operations Expenditures	93,365	-	-
Indirect Costs Recovered	-	9,161	196
Loan Cancellations, Write-offs, and Allowances	-	-	233
Administrative and Collection Costs	-	-	136
Expended for Plant Facilities	-	-	-
Increase in Capitalized Lease Obligations	-	-	-
Retirement of Indebtedness	-	-	-
Interest on Indebtedness	-	-	-
Retirement of Capital Lease Obligations	-	-	-
Disposals and Other Reductions of Plant Facilities	-	-	-
Claims Paid From Trusteed Insurance Funds	-	-	-
Bond and Lease Financial Expense	-	-	-
Issuance of Bonds Payable, net of discount	-	-	-
Other Deductions	-	-	13
TOTAL EXPENDITURES AND OTHER DEDUCTIONS	714,302	155,621	578
TRANSFERS AMONG FUNDS:			
Operating Transfers In	314,694	-	-
Mandatory Transfers, net	(14,098)	-	92
Nonmandatory Transfers, net	(14,115)	(807)	11
TOTAL TRANSFERS	286,481	(807)	103
Net Increase (Decrease) for the Year	1,109	734	1,283
FUND BALANCES, JULY 1	72,918	30,072	31,062
FUND BALANCES, JUNE 30	$ 74,027	$ 30,806	$ 32,345

See Accompanying Notes to Combined Financial Statements.

ENDOWMENT FUNDS	PLANT FUNDS				TOTALS
	UNEXPENDED	RENEWALS AND REPLACEMENTS	RETIREMENT OF INDEBTEDNESS	INVESTMENT IN PLANT	
$ -	$ 17	$ -	$ -	$ -	$ 429,342
-	5,109	38	-	-	93,161
-	-	103	-	-	11,314
-	-	320	-	116	4,676
310	2,506	574	251	31	53,802
42,130	-	-	-	-	42,130
1,332	432	100	1,753	-	6,929
341	-	-	26	-	372
-	-	-	-	-	644
-	-	-	-	-	867
-	-	-	-	73,387	73,387
-	-	-	-	24,215	24,215
-	-	-	-	5,899	5,899
-	14,510	-	13,325	-	27,835
-	-	-	7,463	-	7,463
-	2,000	25	6,100	-	8,227
44,113	24,574	1,160	28,918	103,648	790,263
-	-	-	-	-	767,397
-	-	-	-	-	93,365
-	-	-	-	-	9,357
-	-	-	-	-	233
177	275	-	86	-	674
-	30,866	8,263	4	-	39,133
-	-	-	-	12,283	12,283
-	-	-	24,215	-	24,215
-	20	-	9,312	-	9,332
-	-	-	3,050	-	3,050
-	-	-	-	7,794	7,794
34,560	-	-	-	-	34,560
-	-	-	509	54	563
-	-	-	-	27,835	27,835
-	24	-	-	26	63
34,737	31,185	8,263	37,176	47,992	1,029,854
-	6,923	307	4,541	-	326,465
-	(3,243)	-	17,249	-	-
(77)	8,915	11,648	(5,575)	-	-
(77)	12,595	11,955	16,215	-	326,465
9,299	5,984	4,852	7,957	55,656	86,874
35,927	15,416	24,503	68,202	742,765	1,020,865
$ 45,226	$ 21,400	$ 29,355	$ 76,159	$ 798,421	$ 1,107,739

State of Nebraska

COMBINED STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES AND OTHER CHANGES - COLLEGES AND UNIVERSITIES

For the Year Ended June 30, 1993

(Dollars in Thousands)	CURRENT FUNDS		
	UNRESTRICTED	RESTRICTED	TOTALS
REVENUES:			
Educational and General:			
Tuition and Fees	$ 109,161	$ 413	$ 109,574
Federal Appropriations	5,994	-	5,994
Federal Grants and Contracts	8,747	79,665	88,412
State Grants and Contracts	795	10,499	11,294
Local Grants and Contracts	50	3,788	3,838
Private Gifts, Grants and Contracts	122	49,785	49,907
Endowment Income	570	2,303	2,873
Sales and Services of Educational Activities	21,554	-	21,554
Other	9,519	7	9,526
TOTAL EDUCATIONAL AND GENERAL	156,512	146,460	302,972
Sales and Services of Hospitals and Clinics	178,266	-	178,266
Sales and Services of Auxiliary Operations	94,152	-	94,152
TOTAL REVENUES	428,930	146,460	575,390
EXPENDITURES AND MANDATORY TRANSFERS:			
Educational and General:			
Instruction	195,880	28,483	224,363
Research	52,005	47,697	99,702
Public Services	26,538	28,915	55,453
Academic Support	47,780	3,498	51,278
Student Services	17,961	2,233	20,194
Institutional Support	48,136	652	48,788
Operation and Maintenance of Plant	41,444	277	41,721
Scholarships and Fellowships	14,965	32,987	47,952
TOTAL EDUCATIONAL AND GENERAL EXPENDITURES	444,709	144,742	589,451
Hospitals and Clinics	176,228	1,718	177,946
Auxiliary Operations	93,365	-	93,365
Mandatory Transfers, net	14,098	-	14,098
TOTAL EXPENDITURES AND MANDATORY TRANSFERS	728,400	146,460	874,860
OTHER TRANSFERS AND ADDITIONS (DEDUCTIONS):			
Excess of Restricted Receipts Over Transfers to Revenue	-	1,541	1,541
Operating Transfers From General Fund	314,694	-	314,694
Nonmandatory Transfers, net	(14,115)	(807)	(14,922)
TOTAL OTHER TRANSFERS AND ADDITIONS (DEDUCTIONS)	300,579	734	301,313
NET INCREASE IN FUND BALANCE	$ 1,109	$ 734	$ 1,843

See Accompanying Notes to Combined Financial Statements.

NOTES TO COMBINED FINANCIAL STATEMENTS

For the Year Ended June 30, 1993

1. Summary of Significant Accounting Policies

A. Basis of Presentation. The accompanying general purpose financial statements of the State of Nebraska (the "State") have been prepared in conformance with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The financial statements of the Colleges and Universities have been prepared in conformity with generally accepted accounting principles for colleges and universities as prescribed by the National Association of College and University Business Officers (NACUBO) and the American Institute of Certified Public Accountants (AICPA).

Of the GASB pronouncements with effective dates beginning after June 30, 1993, only GASB Statement 16 has been early implemented. The effects of implementing GASB Statement 16, which deals with compensated absences, are shown in Note 10. The State has not determined the impact on the financial statements for pronouncements not implemented.

The general purpose financial statements have been prepared primarily from accounts maintained by the State Accounting Administrator of the Department of Administrative Services. Additional data has been derived from audited financial statements of certain entities and from reports prescribed by the Accounting Administrator and prepared by various State agencies and departments based on independent or subsidiary accounting systems maintained by them.

B. Reporting Entity. These financial statements include all component units over which the State's elected officials exercise significant oversight responsibility. Financial interdependency is the most significant manifestation of this ability. Other areas that are involved in determining the scope of the reporting entity include: (1) Selection of governing authority, (2) Designation of management, (3) Ability to significantly influence operations, and (4) Accountability for fiscal matters.

Based on the above criteria, the following significant component units are included in these financial statements:

The University of Nebraska – Lincoln
The University of Nebraska at Omaha
The University of Nebraska at Kearney
The University of Nebraska Medical Center
Chadron State College
Peru State College
Wayne State College
The University of Nebraska Board of Regents
The State College Board of Trustees
The Nebraska State College Facilities Corporation
The University of Nebraska Facilities Corporation
The Nebraska Educational Television Facilities Corporation
Nebraska Research and Development Authority
Unemployment Compensation Program
Nebraska Public Employees Retirement System

The following units are excluded from the reporting entity:

Nebraska Investment Finance Authority. The Nebraska Investment Finance Authority (NIFA) was created by State statute to provide low cost financing for housing, agriculture and business. Although the Governor appoints the board, removal from the board can only occur upon an affirmative vote of the board for reasons specified in State statute. Additionally, the State does not designate management, significantly influence operations, nor hold the entity accountable for financial matters. The bonds that NIFA is authorized to issue do not constitute a legal or moral obligation of the State. Debt service on the bonds is payable solely from payments pursuant to loan agreements.

Nebraska Educational Facilities Authority. The Nebraska Educational Facilities Authority (NEFA) was created by State statute to provide private institutions of higher education with a method of financing the construction and acquisition of educational facilities and structures. Although the Governor appoints the board, removal from the board can only occur upon an affirmative vote of the board for reasons specified in State statute. Additionally, the State does not designate management, significantly influence operations, nor hold the entity accountable for financial matters. The bonds that NEFA is authorized to issue do not constitute a legal or moral obligation of the State. Debt service on the bonds is payable solely from payments pursuant to loan agreements.

Community Colleges. Community colleges which are sanctioned by the State are sponsored locally in accordance with State statute. Community colleges have been determined to not be a part of the State entity and are reported as a local unit of government.

Mental Health Regions. The Mental Health Regions within the State have been organized by State statute to provide mental health funding and services in the local communities. Although a significant portion of the funding for these Regions comes from the State, they have been formed in accordance with a local government agreement. Management of these regions is appointed by the sponsoring local units of government.

C. **Fund Structure.** The State's accounts are maintained in accordance with the principles of fund accounting to insure compliance with limitations and restrictions placed on the use of resources available to it. Under fund accounting, individual funds are established for the purpose of carrying on activities or attaining objectives in accordance with specific regulations, restrictions, or limitations. Each individual fund is a self-balancing set of accounts recording cash and other financial resources, together with liabilities and residual equities or balances, and changes therein. In the combined financial statements, however, funds that have similar characteristics have been combined into generic fund types as required by GAAP. These generic fund types differ from the State's budgetary funds which are described later in Note 2. A brief description of these fund types as used in Nebraska and the categories into which they are grouped follows:

Governmental Funds. Transactions related to resources received and used for those services traditionally provided by a state government. Governmental funds include:

General Fund. Reflects transactions related to resources received and used for those services traditionally provided by a state government, which are not accounted for in any other fund.

Special Revenue Funds. Reflect transactions related to resources received and used for restricted or specific purposes.

Capital Projects Fund. Reflects transactions related to resources received and used for the acquisition, construction, or improvement of permanent facilities.

Proprietary Funds. Transactions related to activities similar to those found in the private sector. Proprietary funds include:

Enterprise Fund – Public Benefit Corporation. Reflects transactions of a proprietary type component unit considered part of the reporting entity for financial reporting purposes. The State has no legal responsibility for the debt of this Public Benefit Corporation. In addition the State does not hold title to any of this organization's assets.

Internal Service Funds. Reflect transactions used to account for centrally operated services and centrally procured commodities which are provided to other State departments and agencies and other governmental units of the State. The services and commodities are charged to recipient agencies on a cost-reimbursement basis.

Fiduciary Funds. Transactions related to assets held by the State in a trust or agency capacity. The State's fiduciary funds include Pension Trust, Nonexpendable Trust, Expendable Trust, and Agency Funds as follows:

Pension Trust Funds. Reflect the transactions, assets, liabilities, and fund equities of State defined benefit retirement systems.

Nonexpendable Trust Funds. Reflect the transactions, assets, liabilities, and fund equity of trusts whose principal must be maintained intact and whose income is used to fund the activity.

Expendable Trust Funds. Reflect the transactions, assets, liabilities, and fund equity of trusts whose principal and income may be used to fund the activity.

Agency Funds. Reflect amounts held by the State for others.

Account Groups. The Account Groups are maintained to account for general long-term debt and fixed assets not accounted for in other funds of the State.

General Fixed Assets Account Group. Used to account for general fixed assets of the State exclusive of assets held by the proprietary funds.

General Long-Term Debt Account Group. Used to account for long-term obligations of the State including bonds payable, obligations under lease purchase agreements, claims

obligations under other financing arrangements, and compensated absences exclusive of liabilities of the proprietary funds.

Colleges and Universities. The Colleges and Universities Funds reflect transactions related to resources received and used in the operation of the State's institutions of higher education and related medical teaching hospital. The Colleges and Universities Funds include:

Current Funds which account for unrestricted funds over which the governing boards retain full control in achieving the institutions' purposes and restricted funds which may be utilized in accordance with externally restricted purposes.

Loan, Endowment, and Agency Funds which account for assets in which the colleges and universities act in a fiduciary capacity.

Plant Funds which account for institutional property acquisition, renewal, replacement, and debt service.

D. **Basis of Accounting.** The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and expendable trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary funds, nonexpendable trust funds, and pension trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

The modified accrual basis of accounting is used by all governmental fund types, expendable trust funds, and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Major revenues that are determined to be susceptible to accrual include unemployment compensation taxes, federal grants-in-aid, and charges for services. All other taxes, including income and sales taxes, are recognized when received. Refunds are recorded as a reduction in revenue in the period when the claim is received and the State's liability is measurable. Federal grants collected on a reimbursement basis are recognized as revenue when reimbursable expenditures are made. Revenues collected on an advance basis, including certain federal grant revenue, to which the State does not yet have legal entitlement, are not recognized as revenue until the related commitment arises. Generally, the State considers a one-year availability period for revenue recognition.

Expenditures are recorded when the related fund liability is incurred. Exceptions to the general modified accrual expenditure recognition criteria include principal and interest on general long-term indebtedness which are recognized when due and compensated absences which are recognized when paid.

The accrual basis of accounting is utilized by proprietary fund types, pension trust funds, and nonexpendable trust funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

The Colleges and Universities Funds are reported for on the accrual basis of accounting except that depreciation related to plant fund assets is not recorded and revenues and expenditures of an academic term encompassing more than one fiscal year are reported solely in the fiscal year in which the program is predominately conducted.

E. **Cash and Cash Equivalents.** In addition to bank accounts and petty cash, this classification includes all short-term investments such as certificates of deposit, repurchase agreements, and U.S. treasury bills having original maturities (remaining time to maturity at acquisition) of three months or less. These investments are stated at cost, which at June 30, 1993, approximated market. Collateral, as required by law, is pledged by banks to guarantee State funds held in time and demand deposits.

F. **Cash on Deposit with Fiscal Agents.** Proceeds of Colleges and University Revenue Bond issuances held in interest bearing accounts, awaiting disbursement, are recorded as an asset of the State.

G. **Receivables.** Receivables are stated net of estimated allowances for uncollectible amounts, which are determined based upon past collection experience and current economic conditions. Receivables in the governmental fund types are primarily amounts due from the federal government. Receivables in the fiduciary fund type are primarily contributions due to the pension funds and accrued income on investments. The receivables in the proprietary funds and colleges and universities are amounts that have arisen in the normal course of business.

H. **Investments.** Investments as reported on the balance sheet include long-term investments. These investments may be restricted by law or other legal instrument. All investments are stated at cost, with the exception of those held by the Nebraska Research and Development Authority and the Deferred Compenstion Plan. The investments of the Research and Development Authority are carried at estimated fair value in accordance with standard industry practices for investment companies. Investments of the Deferred Compensation Plan are stated at market value.

I. **Inventories.** Inventories of materials and supplies are determined by both physical counts and through perpetual inventory systems. Governmental Fund inventories are recorded as expenditures when purchased, with the exception of the Highway and Health and Social Services, Special Revenue Funds. The Highway Fund and the Health and Social Services Fund inventories are valued at average cost. Proprietary funds and colleges and universities' valuation method is primarily at the lower of cost (first-in, first-out) or market.

J. **Fund Balance Reserves.** Reservations of fund balance are established to identify the existence of assets that have been legally segregated for specific purposes. Assets of legally restricted budgetary funds are an example of this type of reservation. Reservations of fund balance are also established for assets which are not current in nature, such as long-term loans receivable and inventories.

K. **Compensated Employee Absences.** All permanent employees earn sick and annual leave. Temporary and intermittent employees and Board and Commission members are not eligible for paid leave.

State employees accrue vested annual leave at a variable rate based on years of service. Generally, accrued annual leave cannot exceed 35 days at the end of a calendar year. It is the State's policy to liquidate unpaid annual leave at June 30 from future resources rather than currently available expendable resources. Accordingly, governmental and expendable trust funds recognize annual leave when it is paid. A long-term liability of $32.7 million for the accumulated annual leave in governmental and expendable trust funds has been recorded in the General Long-Term Debt Account Group as of June 30, 1993.

Employees accrue sick leave at a variable rate based on years of service. In general, accrued sick leave cannot exceed 180 days. Sick leave is not vested except upon death or upon reaching the retirement eligibility age of 55, at which time, the State is liable for 25 percent of the employee's accumulated sick leave. It is the State's policy to liquidate vested sick leave at June 30 from future resources rather than currently available expendable resources. Accordingly, governmental and expendable trust funds recognize sick leave when it is paid. A long-term liability of $21.4 million for accumulated sick leave expected to be paid as termination payments in governmental and expendable trust funds has been recorded in the General Long-Term Debt Account Group as of June 30, 1993.

Some State agencies permit employees to accumulate compensatory leave rather than paying overtime. It is the State's policy to liquidate compensatory leave at June 30 from future resources rather than currently available expendable resources. Accordingly, governmental and expendable trust funds recognize compensatory leave when it is paid. A long-term liability of $1.3 million for the vested portion of the accumulated compensatory leave in governmental and expendable trust funds has been recorded in the General Long-Term Debt Account Group as of June 30, 1993.

All proprietary and similar trust funds recognize the expense and accrued liability when vacation and compensatory leave is earned or when sick leave is expected to be paid as termination payments.

The Colleges and Universities Fund recognizes the expense and accrued liability when vacation leave is earned.

L. **Fixed Assets.** General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. All purchased fixed assets are valued at cost where historical records are available and at estimated historical cost where no historical records exist. Donated

fixed assets are valued at their estimated fair market value on the date received.

At June 30, 1993, buildings were valued at $248,279,000. Of this total, $211,516,000 were valued at estimated historical cost and $36,763,000 were valued at actual historical cost. The estimate of historical cost is based on appraised values as of October 31, 1986, indexed to date of acquisition. All buildings acquired after October 31, 1986, have been valued at historical cost. Land with an estimated fair market value at the time of donation of $5,201,000 is 18 percent of the total land value of $29,271,000.

Fixed assets do not include infrastructure such as highways, bridges and lighting systems, as these assets are immovable and of value only to the government. Art objects, collections of historical material and other artifacts, although considered valueable are not assigned a value for financial statement purposes. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Generally, equipment which has a cost in excess of $1,000 at the date of acquisition and has an expected useful life of two or more years is capitalized. Substantially all initial building costs, land and land improvements costing in excess of $50,000 are capitalized. Building improvements and renovations in excess of $50,000 are capitalized if a substantial portion of the life of the asset has expired and if the useful life of the asset has been extended as a result of the renovation or improvement.

Assets in the General Fixed Assets Account Group and the Colleges and Universities Fund are not depreciated. Depreciation of machinery, equipment and buildings in the proprietary fund types is recorded using the straight-line method.

M. **Interfund Transactions.** Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

N. **Totals – Memorandum Only.** The "Totals – Memorandum Only" column represents an aggregation of individual account balances. The column is presented for overview informational purposes and does not present consolidated financial information since interfund balances and transactions have not been eliminated.

2. **Budgetary Process**

By September 15, prior to a biennium, all State agencies must submit their budget requests for the biennium beginning the following July 1. The requests are submitted on forms that show estimated funding requirements by programs, subprograms, and activities. The Executive Branch reviews the requests, establishes priorities, and balances the budget within the estimated resources available during the upcoming biennium. The Governor's budget bill is submitted to the Legislature in January. The Legislature considers revisions to the bill and submits the revised appropriation bill to the Governor for signature. The Governor can either: a) approve the appropriation bill in its entirety, b) veto the bill, or c) line item veto certain sections of the bill. Any vetoed bill or line item can be overridden by a three-fifths majority of the Legislature.

The appropriations that are approved will generally set spending limits for a particular program within agency. Within the agency/program, the Legislature may provide funding from one to five budgetary fund types. Thus, the legal level of control is fund type within program within agency. The central accounting system maintains this control. A separate publication titled "Annual Budgetary Report" shows the detail of this legal level of control. This publication is available from the Department of Administrative Services Accounting Division.

The State's biennial budget cycle ends on June 30 of the odd-numbered years. Appropriations are usually made for each year of the biennium with unexpended balances being reappropriated at the end of the first year of the biennium. For most appropriations, balances lapse at the end of the biennium. During fiscal year 1993, the Legislature passed a deficit appropriation bill which increased the allowable expenditure level in several of the programs.

The budgetary fund types used by the State differ from the generic fund types presented in the financial statements. The budgetary funds, which are listed below, are generally segregated by revenue sources. Of these seven fund types, only the first five are subject to the appropriation controls of the budget.

General Fund. To account for activities funded by general tax dollars, primarily sales and income taxes.

Cash Reserve and Cash Funds. To account for proceeds from a special sales tax to be used as a cash reserve for the General Fund and to account for the financing of goods or services provided by a State agency to individuals or entities outside State government on a cost-reimbursement basis.

Construction Funds. To account for financial resources to be used for the acquisition or construction of major capital facilities.

Federal Funds. To account for the financial resources related to the receipt and disbursement of funds generated from the federal government as a result of grants and contracts.

Revolving Funds. To account for the financing of goods or services provided by one State agency to another State agency on a cost-reimbursement basis.

Trust Funds. To account for assets held in a trustee capacity. (No appropriation control is established for this fund type.)

Distributive Funds. To account for assets held as an agent for individuals, private organizations, and other governments and/or other funds. (No appropriation control is established for this fund type.)

The accompanying financial statements were prepared by recompiling budgetary fund data into the fund format required by GAAP. The Cash Basis of accounting is used for all budgetary fund types.

All State budgetary expenditures for the general, cash, construction, federal, and revolving fund types are made pursuant to the appropriations in the annual budget, as amended from time to time by budget amendments. State agencies may amend the appropriations between major object of expenditure accounts except that the Legislature's approval is required to exceed the personal service limitations contained in the appropriations bill. Increases in total general, cash, construction, and revolving fund appropriations must also be approved by the Legislature as a deficit appropriations bill. Appropriations for programs funded in whole or in part from federal funds may be increased to the extent that revenues of federal funds exceed the original budget estimate.

The State utilizes encumbrance accounting to account for purchase orders, contracts, and other expenditure commitments. However, State law does not require that all encumbrances be recorded in the State's centralized accounting system and as a result, the encumbrances that were recorded in the accounting system have not been included in the accompanying financial statements except for the impact as described below.

Under State budgetary procedures, appropriation balances related to outstanding encumbrances at the end of a biennium are lapsed and reappropriated in the first year of the next biennium. The effect of the State's current procedures is to include in the budget columns of the Combined Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual the current year's appropriations plus the amounts reappropriated for encumbrances outstanding at the end of the prior biennium. This procedure indicates the State's intention to honor the encumbrances at the end of a biennium. The expenditures columns of the Statement include cash payments related to the appropriated and reappropriated amounts. For the year ended June 30, 1993, there were no budgetary funds in which expenditures exceeded appropriations.

Revenues are not budgeted for any funds except for General Fund tax revenues. The budget columns for revenues on the Combined Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual are equal to actual revenues for all other revenue categories.

There are no annual budgets prepared for Expendable Trust Funds and as a result, no budgetary comparisons are presented.

A summarization of the budgetary versus financial statement funds as of June 30, 1993, follows:

(Dollars in Thousands)	BUDGETARY FUND EQUITIES	FINANCIAL STATEMENT FUND EQUITIES						
	TOTAL	GENERAL	SPECIAL REVENUE	CAPITAL PROJECTS	ENTERPRISE	INTERNAL SERVICE	TRUST AND AGENCY	COLLEGES AND UNIVERSITIES
PERSPECTIVE DIFFERENCES:								
Classification of budgetary fund equities into Financial Statement fund structure:								
General	$110,727	$ 110,727	$ -	$ -	$ -	$ -	$ -	$ -
Cash	363,656	31,937	255,390	142	-	386	282	75,519
Construction	8,965	-	337	8,081	-	-	-	547
Federal	9,164	-	8,398	230	-	-	-	536
Revolving	64,679	-	1,351	-	-	21,876	-	41,452
Budgetary fund equities classified into Financial Statement fund structure	$557,191	142,664	265,476	8,453	-	22,262	282	118,054
BASIS DIFFERENCES:								
Record amount due Colleges and Universities		(14,857)	-	-	-	-	-	14,857
Record fixed assets		-	-	-	-	22,026	-	961,263
Record net accrued receivables, liabilities and inventories		(15,571)	41,022	(958)	-	5,224	-	62,618
Record tax refund liability		(46,046)	-	-	-	-	-	-
Record amount due pensions		(8,044)	-	-	-	-	-	-
Record Medicaid liability		(27,813)	-	-	-	-	-	-
Record capitalized lease obligations		-	-	-	-	(10,673)	-	(48,756)
Record workers' compensation liability		-	-	-	-	(21,433)	-	-
Reclassify deferred federal revenue		-	(1,070)	-	-	-	-	-
Other		-	1,582	-	-	-	-	-
ENTITY DIFFERENCES:								
Record funds that are not budgeted		-	48,295	-	-	-	1,754,117	(298)
Record entities not included in the accounting system		-	-	-	5,851	-	179,522	-
Financial Statement fund equities, June 30, 1993		$ 30,333	$ 355,305	$ 7,495	$ 5,851	$ 17,406	$ 1,933,921	$ 1,107,739

3. Cash and Cash Equivalents and Investments

Cash and Cash Equivalents. "Cash and Cash Equivalents" as reported on the balance sheet are under the control of the State Treasurer or other administrative bodies as determined by law. All cash deposited with the State Treasurer is maintained by the Treasurer in an investment pool. The State Treasurer invests the deposited cash including the cash float in short-term securities and other investments. All interest revenue is allocated to the General Fund except allocations required by law to be made to other funds.

Investments. "Investments" as reported on the balance sheet include long-term investments. These investments may be restricted by law or other legal instruments. "Investments" are under control of the State Treasurer or other administrative bodies as determined by law.

4. Deposits and Investments Portfolio

Listed below is a summary of the deposit and investment portfolio that represents the Cash and Cash Equivalents and Investments on the June 30, 1993, balance sheet. All securities purchased or held must either be in the custody of the State or deposited with a custodian in the State's name.

Deposits. At June 30, 1993, the carrying amount of the State's deposits was $53,798,000 and the bank balance was $127,099,000. Of the bank amount, $125,974,000

was covered by federal depository insurance or by collateral held by the State's agent in the State's name and $1,125,000 was not collateralized.

State statutes require that the aggregate amount of securities deposited by a bank with the State Treasurer shall at all times equal ten percent more than the amount of public funds deposited in that bank, less the amount insured by the Federal Deposit Insurance Corporation. During the year the amount of public funds deposited with a bank occasionally exceeded the amount of collateral required by statute. The State Treasurer had compensating balance agreements with various banks totalling $27.9 million at June 30, 1993.

Investments. State Statute Section 72-1246, R.R.S. 1943, authorizes the State Investment Officer to invest the State's funds in accordance with the prudent person rule. The State Investment Officer may not buy on margin, buy call options, or buy put options. Certain State entities are also allowed by statute to invest in real estate and other investments.

The State's investments are categorized to give an indication of the level of risk assumed by the State at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the State or its agent in the State's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the State's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the State's name.

INVESTMENTS AT JUNE 30, 1993

(Dollars in Thousands)

	CATEGORY			CARRYING AMOUNT	MARKET VALUE
	1	2	3		
Repurchase Agreements	$ -	$ -	$ 25,000	$ 25,000	$ 25,000
U.S. Government Securities	864,485	64,101	295,751	1,224,337	1,299,189
Corporate Bonds	93,038	4,695	-	97,733	102,839
Equity Securities	721,484	10,166	-	731,650	921,653
Commercial Paper	65,499	-	-	65,499	65,499
Collateral Mortgage Loans	19,287	-	-	19,287	19,287
Municipal Bonds	5,961	306	-	6,267	6,978
Other	-	712	-	712	712
	$1,769,754	$79,980	$320,751	2,170,485	2,441,157
Pooled Investment Contracts				112,614	107,709
Investment in U.S. Treasury Investment Pool				163,052	163,052
Mutual Funds				229,055	230,864
Real Estate				3,401	302,728
Total Investments				$2,678,607	$3,245,510

The Pension Trust Fund owns approximately 76 percent of the investments that are in Category 1.

Included in Real Estate is approximately 1.5 million acres of land owned by the Permanent School fund which was donated to the State by the federal government in the mid 1800's. This land is carried at its estimated fair market value at the date of donation. The market value of the land at June 30, 1993, was determined by using the average sales prices for similar type of land that sold in 1993.

During the year management of the Enterprise Fund increased the carrying value of much of its investment portfolio to reflect market value. These investments consist mainly of equity positions taken in start-up companies. This increase resulted in a $1.085 million gain.

The following display reconciles the details included within this footnote to the Combined Balance Sheet at June 30, 1993 (dollars in thousands):

Disclosure Regarding Deposits and Investments:	
Total Investments	$2,678,607
Carrying amount of Deposits	53,798
Total	$2,732,405
Combined Balance Sheet:	
Cash and Cash Equivalents	$ 892,722
Cash on Deposit with Fiscal Agents	77,316
Investments, at Cost	1,762,367
Total	$2,732,405

5. Due To/From Other Funds

Due To/From Other Funds at June 30, 1993, consists of the following (dollars in thousands):

	DUE FROM OTHER FUNDS	DUE TO OTHER FUNDS
General	$ 2,619	$26,121
Special Revenue:		
Licensing and Regulation	-	1,004
Highway Fund	208	408
Economic Development	-	94
Airport Development	64	5
Game and Parks	19	152
Energy Conservation	-	12
Federal Fund	725	2,515
Health and Social Services	583	181
Other Special Revenue	516	479
	2,115	4,850
Capital Projects	332	132
Internal Service:		
Correctional Services	425	12
Buildings and Grounds	23	27
General Services	908	9
Communications	1,158	20
Central Data Processing	2,990	32
Transportation Services	280	28
Other Internal Service	193	6
	5,977	134
Expendable Trust:		
Temporary School	2,766	3
Veterans Aid Income	347	-
Canteen and Welfare	-	2
Escheat Trust	-	8
	3,113	13
Nonexpendable Trust:		
Aeronautics Trust	-	50
Nebraska Veterans Aid	-	347
Permanent School Fund	-	2,766
	-	3,163
Pension Trust:		
School Retirement	7,950	24
Judges Retirement	51	-
State Patrol Retirement	343	-
	8,344	24
Agency:		
Payroll Withholding Fund	-	2,920
Colleges and Universities	27,001	12,144
TOTALS	$49,501	$49,501

6. Fixed Assets

The general fixed assets of the State are those fixed assets used in performance of general governmental functions. They do not include fixed assets of proprietary funds and the colleges and universities.

The following is a summary of changes in the general fixed assets account group during the fiscal year (dollars in thousands):

	BALANCE JULY 1, 1992	ADDITIONS	RETIREMENTS	BALANCE JUNE 30, 1993
Land	$ 27,095	$ 2,180	$ 4	$ 29,271
Buildings	246,054	3,300	1,075	248,279
Equipment	161,020	13,447	4,533	169,934
Construction in Progress	2,506	8,893	1,258	10,141
	$436,675	$27,820	$6,870	$457,625

The following is a summary of proprietary fund-type fixed assets at June 30, 1993 (dollars in thousands):

	ENTERPRISE FUND	INTERNAL SERVICE FUNDS
Machinery and equipment	$ 37	$ 60,307
Buildings	-	1,761
Total	37	62,068
Less: accumulated depreciation	(13)	(40,042)
Net fixed assets	$ 24	$ 22,026

In proprietary funds the following estimated useful lives are used to compute depreciation:

Buildings	40 years
Equipment	3-10 years

7. Bonds Payable

The Colleges and Universities issue revenue bonds for various purposes including student housing, parking facilities and special event centers. Net revenues from student housing and dining facilities, special student fees and parking facilities are pledged to collateralize the appropriate issues. Outstanding bonds payable are reported in the Colleges and Universities Fund.

All outstanding bond issues of the University of Nebraska Facilities Corporation and the Nebraska State College Facilities Corporation are general obligations of these corporations. They are separate legal entities that are not operating departments of the State and they are not subject to State constitutional restrictions on the incurrence of debt, which may apply to the State itself. The obligations outstanding at June 30, 1993, are collateralized by a special allocation of a portion of the State cigarette tax. Outstanding bonds payable are reported in the Colleges and Universities Fund.

The Legislature created the Nebraska Educational Television Facilities Corporation (NETFC) for the purpose of acquiring access to a space satellite. In May 1991,

the NETFC issued $7.18 million of lease rental revenue bonds to acquire access for eight years. The NETFC is a separate legal entity and not an operating department of the State. It is not subject to State constitutional restrictions on the incurrence of debt, which may apply to the State itself. The obligations outstanding at June 30, 1993, are collateralized by the revenues of the NETFC which consist primarily of the rentals paid by the State and satellite failure insurance in the event of the loss of uplink and downlink capabilities. The financial activity of the NETFC has been blended into the Special Revenue Fund.

BONDS PAYABLE	DATE ISSUED	MATURITY DATE	INTEREST RATE	BALANCE JUNE 30, 1993
Colleges and Universities Revenue Bonds	1964-1993	1964-2013	2.70% – 7.70%	$ 46,405,000
University of Nebraska Facilities Corporation Issues	1987-1992	1987-2011	3.10% – 7.40%	57,493,000
Nebraska State Colleges Facilities Corporation Issues	1987-1993	1987-1997	2.75% – 6.00%	10,215,000
Nebraska Educational Television Facilities Corporation Issue	1991	1992-1999	5.45% – 6.50%	6,040,000
				$120,153,000

Debt service requirements to maturity of the various bond and note issues are summarized below (dollars in thousands):

MATURITY	COLLEGES AND UNIVERSITIES	UNIVERSITY OF NEBRASKA FACILITIES CORPORATION	NEBRASKA STATE COLLEGES FACILITIES CORPORATION	NEBRASKA EDUCATIONAL TELEVISION FACILITIES CORPORATION	TOTAL PRINCIPAL
1994	$ 3,580	$ 3,605	$ 2,785	$ 750	$ 10,720
1995	3,500	5,425	2,915	795	12,635
1996	3,765	6,000	3,235	840	13,840
1997	3,480	4,535	1,280	890	10,185
1998	4,420	5,435	-	945	10,800
Thereafter	27,660	32,493	-	1,820	61,973
	$46,405	$57,493	$10,215	$6,040	$120,153

Changes in Bonds Payable for the fiscal year 1993 are summarized below:

Balance at July 1, 1992	$117,128,000
New Bonds Issued:	
Colleges and Universities	5,705,000
University of Nebraska Facilities Corporation	12,405,000
Nebraska State Colleges Facilities Corporation	9,725,000
Bonds Retired	(24,810,000)
Balance at June 30, 1993	$120,153,000

Bond Defeasances

On December 15, 1992, the University of Nebraska issued $1.28 million of Revenue Refunding Bonds with an average interest rate of 4.6 percent to advance refund outstanding 1986 Revenue Refunding Bonds. The net proceeds of $1.26 million, plus an additional $142 thousand of 1986 bond fund monies were used to retire the 1986 bonds. The 1986 bonds were redeemed on January 14, 1993, at principal plus accrued interest. The University advance refunded the 1986 bonds to allow it to take advantage of lower interest rates. The refunding resulted in a decrease in net debt service payments over the life of the bonds of $82 thousand. This is equivalent to an economic gain of $74 thousand.

On February 14, 1993, the University of Nebraska issued $825 thousand of Revenue Refunding Bonds with an average interest rate of 3.6 percent to advance refund $1.46 million of outstanding 1987 bonds with an average interest rate of 7.5 percent. The net proceeds of $814 thousand, plus an additional $690 thousand from the 1987 bond funds were used to retire the 1987 bonds. The 1987 bonds were redeemed on February 19, 1993, at a price of 102 percent of the principal amount plus accrued interest. The University advance refunded the 1987 bonds to allow it to take advantage of lower interest rates. The refunding resulted in a decrease in net debt service payments over the life of the bonds of $36 thousand. This is equivalent to an economic gain of $36 thousand.

On May 15, 1992, Wayne State College issued $4.20 million of Student Fees and Facilities Refunding Bonds for the purpose of providing funds to extinguish $3.96 million of outstanding 1988 bonds. The proceeds from the 1992 bonds were deposited in an irrevocable trust to satisfy the remaining principal and interest payments on the 1988 bonds. The defeased bonds were called July 1, 1993.

On December 12, 1992, the University of Nebraska Facilities Corporation issued $1.96 million of Series 1992 Refunding Bonds with an average interest rate of 4.3 percent to advance refund outstanding 1987 bonds with an average interest rate of 6.3 percent. The net proceeds of $1.96 million, plus an additional $975 thousand of 1987 bond fund monies were used to advance refund the 1987 bonds. The 1987 bonds were called for redemption of principal plus accrued interest on January 14, 1993. The refunding resulted in a decrease in net debt service payments over the life of the bonds of $174 thousand. This is equivalent to an economic gain of $158 thousand.

On January 14, 1993, the Nebraska State College Facilities Corporation issued $5.465 million of Revenue Refunding Bonds with an average interest rate of 4.0 percent to advance refund $8.04 million of outstanding 1987 bonds with an average interest rate of 7.5 percent. The net proceeds of $5.36 million, plus an additional $2.84 million of 1987 bond fund monies were used to retire the 1987 bonds. The 1987 bonds were redeemed on January 14, 1993, at a price of 102 percent of the principal amount plus accrued interest. The refunding resulted in a decrease in net debt service payments over the life of the bonds of $1.25 million. This is equivalent to an economic gain of $453 thousand.

8. General Long-Term Debt

The following is a summary of changes in the general long-term debt account group during the fiscal year (dollars in thousands):

	BALANCE JULY 1, 1992 (AS RESTATED)	ADDITIONS	DELETIONS	BALANCE JUNE 30, 1993
Bonds Payable	$ 6,635	$ -	$ 595	$ 6,040
Capitalized Leases	861	259	437	683
Claims	1,737	1,691	1,582	1,846
Obligations Under Other Financing Arrangements	13,925	2,340	330	15,935
Compensated Absences	49,311	6,101	-	55,412
Totals	$72,469	$10,391	$2,944	$79,916

The additions in compensated absences represent a net increase. "Claims" consists of the long-term portion of Medicaid claims.

9. Obligations Under Other Financing Arrangements

The State has entered into special financing arrangements with certain public benefit corporations and municipalities for the purpose of lease/purchasing fixed assets and to fund certain grant programs. Under these arrangements, the State enters into an agreement with a public benefit corporation or municipality to issue debt and construct or purchase a fixed asset or capitalize a loan program. Money is appropriated from special revenue sources other than State tax receipts to pay the debt service. This type of arrangement does not violate the constitutional restrictions on the incurrence of debt since debt service is being paid from user fees and not general tax revenues.

In 1987, the State entered into a contractual arrangement with the Nebraska State Building Corporation which is financing the purchase of a building used by the State for its data processing and general services operations. This contractual agreement, which was restructured in 1992, provides for the payment of rentals sufficient to cover the related bond debt service and for passage of title to the State after the bonds have been repaid.

In 1991 and 1993, the State entered into arrangements with the Nebraska Investment Finance Authority to capitalize a loan program to local units of government for wastewater treatment facilities.

During 1993, the State restructured a contractual arrangement with the City of Grand Island which financed the construction of the Nebraska Law Enforcement Training Center in Grand Island. The restructuring of the contract resulted from the City refinancing its outstanding debt to take advantage of lower interest rates. This facility is operated by the State and provides law enforcement training for state and local law enforcement personnel. This contractual arrangement provides for the payment of rentals sufficient to cover the related bond debt service and for passage of title to the State after the bonds have been paid.

Changes in the financing arrangements for the year were as follows (dollars in thousands):

	BALANCE JULY 1, 1992	ADDITIONS	DELETIONS	BALANCE JUNE 30, 1993
Nebraska Investment Finance Authority	$ 3,680	$2,340	$ -	$ 6,020
Nebraska State Building Corporation	7,645	-	245	7,400
City of Grand Island	2,600	-	85	2,515
Totals	$13,925	$2,340	$330	$15,935

Following is a summary of the future minimum contractual obligations including interest at rates from 3.1% to 6.8%.

YEAR	PRINCIPAL	INTEREST	TOTAL
1994	$ 435,000	$ 913,000	$ 1,348,000
1995	885,000	880,000	1,765,000
1996	930,000	838,000	1,768,000
1997	975,000	791,000	1,766,000
1998	1,025,000	739,000	1,764,000
Thereafter	11,685,000	3,827,000	15,512,000
Total	$15,935,000	$7,988,000	$23,923,000

10. Restatements

At June 30, 1992, certain fund balances were restated as follows:

RESTATEMENT OF BEGINNING FUND BALANCE/RETAINED EARNINGS/ACCOUNT GROUPS

(Dollars in Thousands)

	GENERAL	SPECIAL REVENUE	INTERNAL SERVICE	EXPENDABLE TRUST	GENERAL LONG-TERM DEBT ACCOUNT GROUP
Fund Balance/Retained Earnings/Account Groups at June 30, 1992, previously reported	$ 89,514	$ 368,233	$ 11,499	$ 237,144	$ 75,072
To reflect the implementation of GASB Statement 16 – Accounting for Compensated Absences	-	-	(294)	-	9,972
To correct the classification of certain budgetary funds	31,937	(31,937)	-	-	-
To correct the presentation of certain liabilities	-	-	-	(12,575)	(12,575)
Fund Balance/Retained Earnings/Account Groups at June 30, 1992, as adjusted	$121,451	$ 336,296	$ 11,205	$ 224,569	$ 72,469

GASB Statement 16, Accounting for Compensated Absences was implemented during fiscal year 1993. The compensated absences liability increased for accumulated sick leave for employees who are expected to become eligible in the future. The Colleges and Universities did not implement GASB Statement 16 during fiscal year 1993.

The Cash Reserve Fund was reclassified from a Special Revenue Fund to the General Fund to more accurately reflect the nature of this fund. The amounts are displayed on the combined balance sheet as a designated fund balance.

The long-term portion of the liability in the Excess Liability Fund was previously presented in the General Long-Term Debt Account Group. The entire liability was presented in the Expendable Trust Fund this year to more accurately reflect current accounting guidance.

11. Pension Plans

The Public Employees Retirement Board which consists of seven members was created in 1971 to administer the Nebraska retirement plans then in existence. Those plans were the School, State Employees', Judges' and State Patrol plans. In October of 1973, the administration of the Nebraska Counties Retirement System was assumed by the Public Employees Retirement Board.

The plans have been created in accordance with Internal Revenue Code, Sections 401(a) and 414(h).

By State law, there is to be an equitable allocation of expenses among the retirement systems administered by the board, and all expenses shall be provided from the investment income earned by the various retirement funds. Following is a summary of each of these plans:

State Employees' Retirement. This plan became effective January 1, 1964, and is a fully funded money purchase (defined contribution) plan. Participation in the plan is required on reaching the age of 30 and completion of two years of continuous service. Voluntary participation is permitted upon reaching age 20 and one year of service. Each member contributes 3.6 percent of the first $24,000 of pay earned in a calendar year and 4.8 percent of pay over $24,000. The State matches a member's contribution at a rate of 156 percent as required by State Statute. Several insurance companies are the carriers of the plan under a Deposit Administration Group Annuity Contract. A total of $380,658,000 was on deposit with the carrier for future service benefits as of June 30, 1993. Retirement benefits depend upon total contributions, age at retirement, investment earnings, and the investment options selected. Benefits vest after five years of plan participation.

The total payroll for employees participating in the State Employees' Retirement System was $331,589,000 for the fiscal year ending June 30, 1993. The total State payroll for all employees for the period was $397,466,000.

Members contributed $12,075,000 (3.64 percent of covered payroll) and the State contributed $18,838,000 (5.68 percent of covered payroll) during the fiscal year ending June 30, 1993.

County Employees' Retirement. In 1973, the State Legislature brought the County Employees' Retirement System under the administration of the Board.

The plan is a money purchase (defined contribution) plan that covers employees of 91 of the State's 93 counties. Participation in the plan is required of all employees working 20 or more hours per week upon the completion of one year of continuous service. Employees working less than 20 hours may elect voluntary participation on reaching age 25 and completing a total of 12 months service. Members contribute 3.2 percent of their pay earned in a calendar year with a county match of 150 percent as required by State Statute. Benefits vest after five years of plan participation. Net assets of the plan as of June 30, 1993, were $74,544,000.

Members contributed $3,179,000 and counties contributed $4,733,000 during the fiscal year ending June 30, 1993.

School Retirement. The School Retirement System is a cost-sharing multiple-employer defined benefit pension system. The Legislature in 1945 enacted the law establishing a retirement system for school employees of the State. All regular public school employees in Nebraska, other than those who have their own retirement plan, are members of the system. The benefits are based on both service and contribution. The State pays the service part of the monthly annuity and the member's contribution is converted into a monthly savings annuity. As of June 30, 1992, the date of the most recent actuarial valuation, there were 30,694 active members (21,010 vested, 9,684 nonvested) and 16,060 retirees, beneficiaries and terminated members.

The State's contribution is based on an annual actuarial valuation. The employees' contribution is 6.52 percent of their total pay and the school district's contribution is 101 percent of the employees' contribution, as required by State Statute. For the year ending June 30, 1993, the State contributed $7,884,000 ($4,847,000 to amortize the unfunded actuarial liability and the remainder for normal cost), employees contributed $47,930,000 and the school districts contributed $48,034,000. The State's contribution is mandated by State Statute. The State's actuarially determined contribution amount was 14 percent of the total actuarially determined contribution requirement for all employers. Employees' benefits are vested after five years of plan participation.

Judges' Retirement. The Judges' Retirement System is a single-employer defined benefit pension system which was established by the 1955 Legislature. The membership includes Supreme Court, Court of Appeals, District Court, Workers' Compensation Court, County Court, and Juvenile Court.

The plan is funded by members' contributions, a portion of the court fees, and the State's contributions. A one dollar fee for each case is collected from District and County courts plus a ten percent charge on certain fees collected in the County Courts. The State's contribution is based on an annual actuarial valuation. The judges contribute either four or six percent of their salary depending on the plan. As of June 30, 1992, the date of the most recent actuarial valuation, there were 172 active, vested members and 162 retirees, beneficiaries and terminated members. The covered payroll and total payroll for this plan are the same because participation is mandated upon employment. The covered payroll for the year ending June 30, 1993, was $11,195,000.

For the year ending June 30, 1993, judges contributed $727,000 and court fees, which represent employer contributions, were $452,000. The employer and employee contributions were all for normal cost and there was no unfunded actuarial liability. Benefits vest when the judge takes office.

Legislation passed in 1992 changed the definition of final average salary and increased the retirement benefit amount. These changes had no effect on contribution requirements as the plan remained fully funded after the changes.

State Patrol Retirement. The State Patrol Retirement System is a single-employer defined benefit pension system which was created in 1947. The benefits are based on a percentage of the final average salary multiplied by years of service, not to exceed 75 percent of the average salary. Members are required to contribute eight percent of their annual pay which is matched by the State Patrol as required by State Statute. The State's contribution is based on an annual actuarial valuation. As of June 30, 1992, the date of the most recent actuarial valuation, there were 421 active members (243 vested, 178 nonvested) and 164 retirees, beneficiaries and terminated members. The covered payroll and total payroll for this plan are the same because participation is mandated upon employment. The covered payroll for the year ending June 30, 1993, was $13,487,000.

For the year ending June 30, 1993, the State General Fund contributed $1,269,000 and the members contributed $1,109,000. The employer and employee contributions were all for normal cost and there was no unfunded actuarial liability. Benefits vest after ten years of service.

The State's consulting actuary determines employer contributions for all three defined benefit plans to which the State contributes. Contribution rates are developed on an annual basis using the frozen entry age actuarial cost method for service annuity benefits and the aggregate actuarial cost method for excess formula annuity benefits.

The following schedule presents the primary actuarial assumptions used in the most recent actuarial reports.

SYSTEM	ASSUMED INVESTMENT RATE OF RETURN	ASSUMED SALARY INCREASES
School	8.50%	5.50 to 10.80%
Judges'	8.50%	6.00%
State Patrol	8.50%	6.00 to 10.00%

The 1971 Group Annuity Mortality tables were used in the actuarial reports for all systems. The assumed salary increases for active members in the School system was based on a table that projected salary increases ranging from a high of 10.80 percent for a person age 20 to a low of 5.50 percent for a person age 65 and over. The assumed salary increases for members in the Patrol system was based on a table that projected salary increases ranging from a high of 10.00 percent for a person age 20 to a low of 6.00 percent for a person age 55 and over.

The amounts shown below as the "pension benefit obligation" are a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases, estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess the funding status of the Systems on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among PERS and employers. The measure is the actuarial present value of credited projected benefits and is independent of the funding method used to determine contributions to the Systems.

The pension benefit obligation was computed as part of the actuarial valuations performed as of June 30, 1992. Significiant actuarial assumptions used to determine the contribution requirements were the same as those used to determine the pension benefit obligation. The pension benefit obligation for the defined benefit plans as of June 30, 1992, is as follows (dollars in thousands):

	SCHOOL RETIREMENT	JUDGES' RETIREMENT	STATE PATROL RETIREMENT	TOTAL
Pension benefit obligation:				
Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	$ 386,352	$13,573	$29,378	$ 429,303
Current employees:				
Accumulated employee contributions, including allocated investment income	575,517	9,274	17,518	602,309
Employer-financed vested	370,932	13,543	21,915	406,390
Employer-financed nonvested	148,617	-	7,396	156,013
Total pension benefit obligation	1,481,418	36,390	76,207	1,594,015
Net assets available for benefits, at cost	1,211,128	35,324	75,547	1,321,999
Unfunded (assets in excess of) pension benefit obligation	$ 270,290	$ 1,066	$ 660	$ 272,016
Net assets available for benefits, at market value	$1,355,182	$ 40,835	$87,913	$1,483,930

Actual contributions for the fiscal year ended June 30, 1993, are as follows (dollars in thousands):

SYSTEM	EMPLOYER CONTRIBUTION	PERCENT OF COVERED PAYROLL	EMPLOYEE CONTRIBUTION	PERCENT OF COVERED PAYROLL	ACTIVE MEMBER PAYROLL
School	$55,918	7.97%	$47,930	6.83%	$701,702
Judges'	452	4.04%	727	6.49%	11,195
State Patrol	1,269	9.41%	1,109	8.22%	13,487
	$57,639		$49,766		$726,384

Employer contributions were made in accordance with actuarially determined requirements. It is anticipated by the actuary that the current contributions will remain approximately level and will fund current service cost and will amortize unfunded actuarial liabilities of prior service costs by July 1, 2016.

Historical trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due, and may be found in the Required Supplementary Information section of this report. An analysis of funding progress for the three latest available years is presented in the following tables.

Net assets available for benefit as a percentage of the pension benefit obligation are as follows:

YEAR ENDED JUNE 30	SCHOOL RETIREMENT	JUDGES' RETIREMENT	STATE PATROL RETIREMENT
1992	81.75%	97.07%	99.13%
1991	78.35%	110.01%	95.82%
1990	79.04%	118.87%	100.29%

Unfunded (assets in excess of) pension benefit obligation as a percentage of annual covered payroll is as follows:

YEAR ENDED JUNE 30	SCHOOL RETIREMENT	JUDGES' RETIREMENT	STATE PATROL RETIREMENT
1992	39.78%	10.11 %	5.04 %
1991	41.45%	(31.25)%	24.07 %
1990	39.42%	(57.55)%	(1.46)%

Showing unfunded pension benefit obligations as a percentage of annual covered payroll approximately adjusts for the effects of inflation for analysis purposes.

Employer contributions as a percentage of annual covered payroll are as follows:

YEAR ENDED JUNE 30	SCHOOL RETIREMENT	JUDGES' RETIREMENT	STATE PATROL RETIREMENT
1993	7.97%	4.04%	9.41%
1992	7.91%	4.58%	9.39%
1991	7.59%	5.01%	9.34%

These contributions were all made in accordance with actuarially determined requirements.

Ten-year historical trend information presenting revenues by source and expenses by type for all three defined benefit plans may be found in the Required Supplementary Information section of this report.

Teachers Insurance and Annuity Association. The Teachers Insurance and Annuity Association (TIAA-CREF), a privately administered defined contribution retirement plan, provides individual retirement fund contracts for eligible employees of the State Colleges and Universities. Under the plan, eligible employees contribute 2 percent to 6 percent of monthly earnings and the institutions match the employees' contribution plus an additional 1 percent to 2.5 percent of earnings. Participation in the plan is required upon reaching the age of 30 with two years of continuous service. Voluntary participation is permitted upon reaching the age of 25 and two years of continuous service. The plan benefits are fully vested at the date of contribution. The State assumes no liability for the plan other than payment of contributions.

The total payroll for the State Colleges and Universities for fiscal year 1993 was $472,726,000 of which $370,695,000 was covered by the plan. The institutions' contribution was $26,346,000 or 7.11 percent of covered payroll and the employees' contribution was $18,984,000 or 5.12 percent of covered payroll.

Department of Labor, Division of Employment Security Retirement Plan. As of July 1, 1992, the date of the most recent actuarial valuation, there were 280 current or former employees of the Nebraska Department of Labor, Employment Security Division (Federal Special Revenue Fund) who were participants (260 active; 20 inactive) in a defined benefit retirement plan administered by the Principal Financial Group (plan carrier). The plan is fully funded through participants' contributions and special federal revenues from the U.S. Department of Labor, Employment and Training Administration and is accounted as a non-contributing plan (no State General Fund Revenues).

The plan includes only employees hired by the Nebraska Department of Labor, Employment Security Division prior to July 1, 1984. Employees becoming eligible for retirement plan participation subsequent to that date are covered by the State of Nebraska's defined contribution plan.

The employee's contribution to the defined benefit plan is 7 percent of July 1st salary. The employer contribution is based on an annual Actuarial Valuation Report and includes contributions for prior service. Retirement benefits are based on a percentage formula which includes the employee's salary and years of credited service.

The July 1, 1992, present value of future retirement benefits was $54.4 million, and the unfunded liability was $2.3 million. Net present assets available for benefits were $52.1 million. The unfunded liability represents cost of living increases on benefits. The average assumed rate of return used in determining the actuarial present value of accumulated plan benefits was 8.0 percent.

The Nebraska Department of Labor's actual current year employer contributions, including prior year service costs, to the Principal Financial Group from the Federal Special Revenue Fund for the year ending June 30, 1993, was $1,380,000. The total personal services for the Division of Employment was $12.5 million. The total payroll for the active participants in this plan was $7.5 million.

12. Deferred Compensation Plan

The State offers its employees a deferred compensation plan created in accordance with Internal Revenue Code, Section 457. The plan, available to all State employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The plan is recorded as an agency fund of the State.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employees or other beneficiary) solely the property and rights of the State (without being restricted to the provisions of benefits under the plan), subject only to the claims of the State's general creditors. Participants' rights under the plan are equal to those of general creditors of the State in an amount equal to the fair market value of the deferred account for each participant.

The State has the duty of due care that would be required of an ordinary prudent investor. The State believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

The following is a summary of the increases and decreases of the fund for the year ended June 30, 1993.

Fund assets (at market value), July 1, 1992	$36,398,000
Deferrals of compensation	5,097,000
Earnings and adjustment to market value	4,432,000
Payments to eligible participants and beneficiaries	(2,067,000)
Administrative expenses	(64,000)
Fund assets (at market value), June 30, 1993	$43,796,000

13. Lease Commitments

Capitalized and Operating Leases. The State leases land, office facilities, equipment, and other assets under both capital and operating leases. Although the lease terms may vary, all leases are subject to annual appropriation by the Legislature.

The present value of future minimum capital lease payments and minimum annual lease payments for operating leases and capital leases as of June 30, 1993, are as follows (dollars in thousands):

	CAPITAL LEASES			
YEAR	INTERNAL SERVICE FUNDS	GENERAL LONG-TERM DEBT ACCOUNT GROUP	COLLEGES AND UNIVERSITIES FUND	OPERATING LEASES
1994	$ 5,211	$533	$ 8,313	$1,765
1995	3,868	115	7,158	810
1996	1,396	74	6,004	788
1997	894	24	6,234	535
1998	6	-	5,027	442
Thereafter	-	-	52,544	68
Total Minimum Payments	11,375	746	85,280	$4,408
Less: interest and executory costs	702	63	36,525	
Present value of net minimum payments	$10,673	$683	$48,755	

Operating lease payments for the year ended June 30, 1993, totalled $4,387,000.

Capital leases have been recorded at the present value of the future minimum lease payments as of the date of their inception. The following is an analysis of property and equipment leases under capital leases as of June 30, 1993 (dollars in thousands):

	INTERNAL SERVICE FUNDS	GENERAL FIXED ASSET ACCOUNT GROUP	COLLEGES AND UNIVERSITIES FUND
Buildings	$ -	$ -	$52,640
Equipment	18,221	1,616	21,538
Less: accumulated depreciation	(8,047)	-	-
Carrying value	$ 10,174	$1,616	$74,178

Lessor Transactions. The State also is a lessor of property, primarily farm land leased by the Board of Educational Lands and Funds to farmers and ranchers. At June 30, 1993, the State owned approximately 1.5 million acres of land that was under lease. Under the terms of the leases, the annual payments are subject to change based on annual market analysis. Total rents of $17,664,000 were received under these lease agreements for the year ended June 30, 1993, and were deposited in an Expendable Trust Fund.

14. Nonmonetary Transactions

The State has received commodities from the United States Department of Agriculture Redistribution Program. During the fiscal year ended June 30, 1993, the fair market value of the commodities received was $11.0 million. At June 30, 1993, there was a balance of $1.6 million on hand. It is the State's policy to not report these amounts on the accompanying financial statements.

The Department of Social Services administers the United States Department of Agriculture Food Stamp Program. The Department issued food stamps valued at $80.5 million during the fiscal year ended June 30, 1993, and had $25.8 million on hand at June 30, 1993. It is the State's policy to not report these amounts on the accompanying financial statements.

15. Deficit Retained Earnings

The Risk Management Internal Service Fund reported a $19,372,000 deficit balance at June 30, 1993. This deficit results from the Workers' Compensation Program which is included in the activity within this fund. The State is currently funding this deficit as liabilities become due.

16. Public Benefit Corporation

The State includes the activity of the Nebraska Research and Development Authority (Authority) (as defined in Note 1) in the accompanying financial statements. The Authority is a legally separate entity and is not an operating department of the State. The Authority, created in 1986 by the State Legislature, was established to foster innovation in existing value-added industry, to develop new value-added industry, and to create and maintain employment in areas of importance to the State's economy. The Authority invests in projects by providing conventional debt, purchasing convertible debt instruments or other forms of equity, such as common or preferred stock, or by obtaining a royalty stream in the venture. The Authority's acitivites through June 1991 were funded primarily by appropriations from the State.

Beginning in fiscal year 1992, the Authority focused its resources on enhancing value and liquidity in its portfolio of investments, and on implementing a strategy for development of a market driven private venture capital firm.

The Authority is authorized to issue bonds to fulfill its purpose. Amounts so issued shall not be deemed to constitute a debt, liability or general obligation of the State or any political subdivision thereof. Any assets remaining upon dissolution of the Authority will be transferred to the State. The Authority is governed by a nine member board appointed by the Governor to six year terms and confirmed by the Legislature.

As indicated in Note 1, the investments of the Authority are recorded at fair value, in the absence of readily ascertainable market values, as determined by the Authority after giving consideration to operating results, financial condition, recent sales prices of issuers' securities and other pertinent information about the companies comprising those investments. Income is recognized on the investments as dividends and interest are received. Unrealized appreciation (depreciation) is recorded on the investments when the estimated fair market value differs from cost. Because of the inherent uncertainty of valuation, the estimated values may differ signficiantly from the values that would have been used had a ready market for the investments existed, and the difference could be material.

17. Contingencies and Commitments

Grants and Contracts. The State participates in various federally assisted grant programs that are subject to review and audit by the grantor agencies. Entitlement to these resources are generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a federal audit may become a liability of the State.

All State agencies including institutions of higher education are required to comply with various federal regulations issued by the U.S. Office of Management and Budget if such agency or institution is a recipient of federal grants, contracts, or other sponsored agreements. Certain agencies or institutions may not be in total compliance with these regulations. Failure to

comply may result in questions concerning the allowability of related direct and indirect charges pursuant to such agreements. It is believed that the ultimate disallowance pertaining to these regulations, if any, will be immaterial to the overall financial condition of the State.

Litigation. The State is named as a party in legal proceedings which occur in the normal course of governmental operations. Such litigation includes, but is not limited to, claims asserted against the State arising from alleged torts, alleged breaches of contracts, condemnation proceedings and other alleged violations of State and Federal laws.

It is not possible at the present time to estimate ultimate outcome or liability, if any, of the State for these proceedings. However, it is the State's opinion that any ultimate liability is not expected to have a material adverse effect on the State's financial position.

Contingencies. The Nebraska Public Employees Retirement System (NPERS) has decided to diversify its investments in Guaranteed Investment Certificates (GIC's) for its two defined contribution plans. The diversification plan is to spread the purchase of new GIC's with several insurance carriers to minimize the concentration of assets with any one carrier. However, as of June 30, 1993, one insurance carrier held $209.2 million or 49.7 percent and a second held $112.3 million or 26.7 percent of the GIC's of the two defined contribution plans.

The State has the option to assist local governments that may be eligible for disaster assistance under certain federal programs. After the local governments have completed construction, they are eligible for reimbursement from the federal government and the State, if the State has chosen to participate. The construction could take as long as five years after the disaster occurs due to local government funding and infrastructure commitments.

Self Insurance. Through the Office of Risk Management, the State maintains an insurance and self-insurance program. Workers' compensation, employee liability and general liability under State law are self-insured. The Colleges and Universities are self-insured for a portion of their comprehensive general and hospital professional liability and property losses. Motor vehicle liability is insured for the first $1 million of exposure per accident and employee dishonesty is bonded for the first $1 million annually with a $10,000 retention per incident. The State retains the full risk for all real and personal property damage.

The Department of Personnel maintains health care and life insurance for covered State employees.

Construction Commitments. At June 30, 1993, the Department of Roads and the Department of Correctional Services had contractual commitments of $249,300,000 for various highway and building projects. Funding of these future expenditures are expected to be provided as follows (dollars in thousands):

Federal funds	$116,756
State funds	122,466
Local funds	10,078
	$249,300

At June 30, 1993, the Colleges and Universities had contracted for the construction of several facilities which are estimated to cost $147,357,000. The approximate remaining costs to complete these facilities were $37,940,000 which will be financed as follows (dollars in thousands):

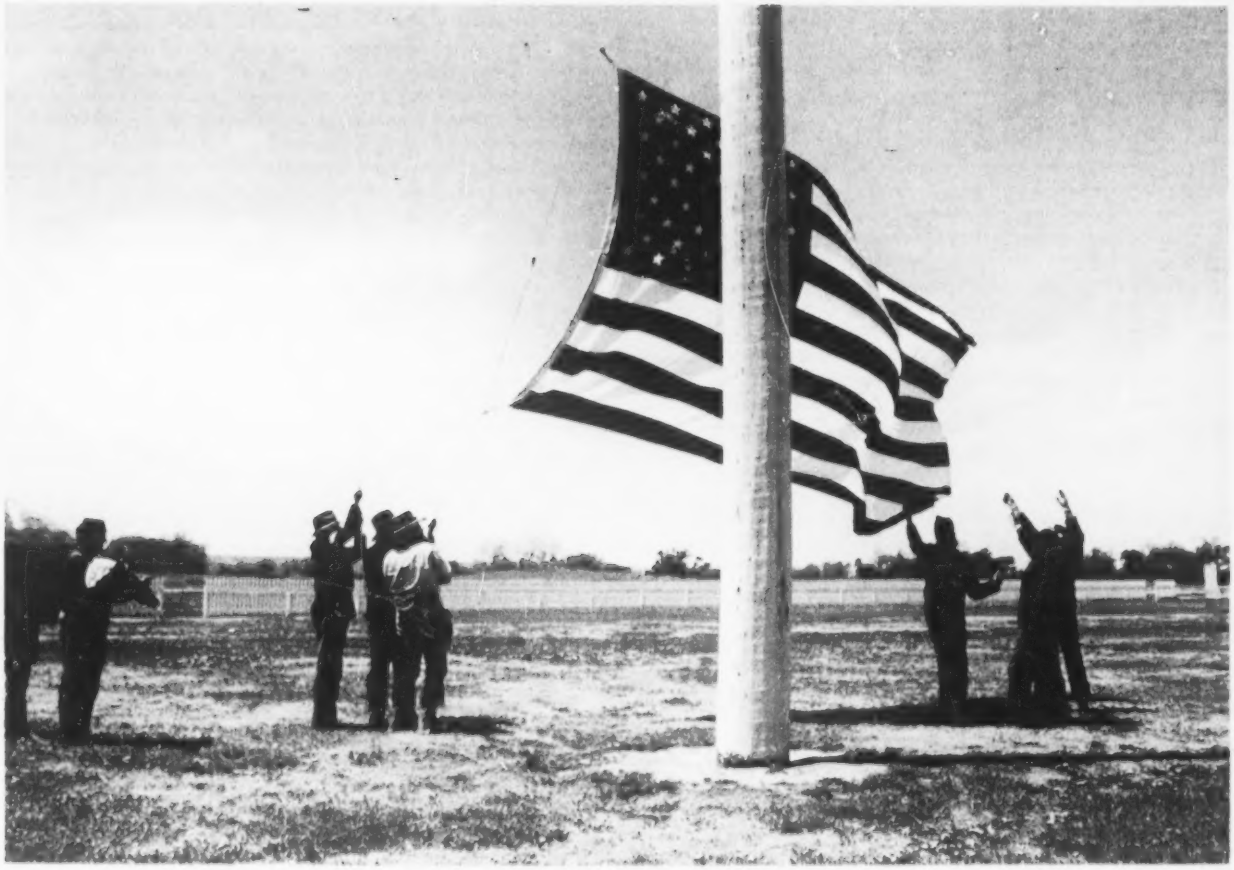
State appropriations	$ 8,712
Federal funds	15,443
University funds	9,207
Private gifts, grants and contracts	3,290
Financing Authorities	1,288
	$37,940

18. Subsequent Events

Bonds Issued. On July 23, 1993, the University of Nebraska Facilities Corporation issued $45.57 million of Series 1993 Refunding Bonds to advance refund outstanding 1990 bonds.

Lottery. On September 11, 1993, the Nebraska State Lottery began sales. The voters approved an amendment to the State's constitution in 1992 and the Legislature passed the Lottery Act in 1993 which authorizes an instant-win lottery, a random number selection online lottery, and a regional lottery. During the initial three months of sales, lottery proceeds exceeded $18 million.

REQUIRED SUPPLEMENTARY INFORMATION



FORT HARTSUFF

Located near Elyria, Fort Hartsuff is typical of the Plains infantry outposts. It stood as a buffer between settlers and Indians in the North Loup River valley from 1874-81. Its nine major buildings were built of concrete, which helped them withstand the passage of time. Acquired as a historical park in 1961, it has been restored as it was when soldiers patrolled the Loup and Cedar river valleys and pioneered a new trail to the Black Hills gold fields in the 1870's.

State of Nebraska

REQUIRED SUPPLEMENTARY INFORMATION
ANALYSIS OF FUNDING PROGRESS
FOR DEFINED BENEFIT PENSION SYSTEMS (Unaudited)

(Dollars in Thousands)

	NET ASSETS AVAILABLE FOR BENEFITS	PENSION BENEFIT OBLIGATION	PERCENTAGE FUNDED	UNFUNDED (ASSETS IN EXCESS OF) PENSION BENEFIT OBLIGATION	ANNUAL COVERED PAYROLL	UNFUNDED (ASSETS IN EXCESS OF) PENSION BENEFIT OBLIGATION AS A PERCENTAGE OF COVERED PAYROLL
SCHOOL RETIREMENT SYSTEM						
1989	$ 817,982	$ 1,048,216	78.04 %	$ 230,234	$ 573,066	40.18 %
1990	941,220	1,190,819	79.04	249,599	633,221	39.42
1991	1,053,530	1,344,676	78.35	291,146	702,447	41.45
1992	1,211,128	1,481,418	81.75	270,290	679,383	39.78
JUDGES' RETIREMENT SYSTEM						
1989	$ 28,974	$ 24,002	120.71 %	$ (4,972)	$ 8,091	(61.45)%
1990	31,133	26,191	118.87	(4,942)	8,588	(57.55)
1991	32,515	29,557	110.01	(2,958)	9,467	(31.25)
1992	35,324	36,390	97.07	1,066	10,542	10.11
STATE PATROL RETIREMENT SYSTEM						
1989	$ 61,899	$ 61,747	100.25 %	$ (152)	$ 10,395	(1.46)%
1990	66,355	66,162	100.29	(193)	11,015	(1.75)
1991	69,223	72,245	95.82	3,022	12,553	24.07
1992	75,547	76,207	99.13	660	13,094	5.04

Analysis of the dollar amounts of net assets available for benefits, pension benefit obligation, and unfunded (assets in excess of) pension benefit obligation in isolation can be misleading. Expressing the net assets available for benefits as a percentage of the pension benefit obligation provides one indication of funding status on a going-concern basis. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the system. Trends in the unfunded (assets in excess of) pension benefit obligation and annual covered payroll are both affected by inflation. Expressing the unfunded (assets in excess of) pension benefit obligation as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the system.

NOTE: The standardized measure of the pension benefit obligation was available beginning with fiscal year 1989. The most recent actuarial reports available are for fiscal year 1992.

State of Nebraska

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES BY SOURCE AND EXPENSES BY TYPE
SCHOOL RETIREMENT SYSTEM (Unaudited)

1984-1993

(Dollars in Thousands)	REVENUES BY SOURCE				
FISCAL YEAR	EMPLOYEE CONTRIBUTIONS	EMPLOYER CONTRIBUTIONS	INVESTMENT INCOME AND OTHER	TOTAL	EMPLOYER CONTRIBUTIONS AS A PERCENTAGE OF COVERED PAYROLL
1984	$ 14,403	$ 17,526	$ 30,791	$ 62,720	4.27%
1985	18,407	25,567	38,602	82,576	5.93
1986	21,714	29,897	60,031	111,642	6.29
1987	29,571	32,973	64,437	126,981	6.56
1988	33,647	33,865	49,616	117,128	6.34
1989	34,945	44,285	53,539	132,769	7.73
1990	38,386	49,951	70,357	158,694	7.89
1991	42,431	53,349	56,426	152,206	7.59
1992	45,315	53,707	103,518	202,540	7.91
1993	47,930	55,918	146,333	250,181	7.97

(Dollars in Thousands)	EXPENSES BY TYPE			
FISCAL YEAR	ANNUITY BENEFITS	ADMINISTRATIVE EXPENSES	REFUNDS	TOTAL
1984	$ 9,800	$ 770	$ 3,591	$ 14,161
1985	10,130	1,065	4,585	15,780
1986	12,801	1,556	3,877	18,234
1987	14,476	1,112	3,942	19,530
1988	18,541	2,144	4,499	25,184
1989	23,401	2,237	4,643	30,281
1990	27,116	2,565	5,775	35,456
1991	30,804	2,936	6,156	39,896
1992	34,860	3,453	6,629	44,942
1993	39,335	3,926	5,133	48,394

Contributions were made in accordance with actuarially determined contribution requirements.

SOURCE: Fiscal Years 1984-1988 - Cash Basis Records of the Nebraska Public Employees Retirement System
Fiscal Years 1989-1993 - Nebraska Comprehensive Annual Financial Report - GAAP Accrual Basis

State of Nebraska

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES BY SOURCE AND EXPENSES BY TYPE
JUDGES' RETIREMENT SYSTEM (Unaudited)

1984-1993

(Dollars in Thousands)	REVENUES BY SOURCE				
FISCAL YEAR	EMPLOYEE CONTRIBUTIONS	EMPLOYER CONTRIBUTIONS	INVESTMENT INCOME AND OTHER	TOTAL	EMPLOYER CONTRIBUTIONS AS A PERCENTAGE OF COVERED PAYROLL
1984	$ 376	$ 1,277	$ 1,586	$ 3,239	17.45%
1985	405	856	1,861	3,122	11.38
1986	416	945	3,459	4,820	12.23
1987	417	606	2,815	3,838	8.25
1988	406	455	1,963	2,824	5.86
1989	414	495	1,909	2,818	6.12
1990	432	533	2,423	3,388	6.21
1991	422	474	1,758	2,654	5.01
1992	449	483	3,333	4,265	4.58
1993	727	452	4,476	5,655	4.04

(Dollars in Thousands)	EXPENSES BY TYPE			
FISCAL YEAR	ANNUITY BENEFITS	ADMINISTRATIVE EXPENSES	REFUNDS	TOTAL
1984	$ 695	$ 35	$ 58	$ 788
1985	726	33	25	784
1986	797	49	12	858
1987	896	72	14	982
1988	959	101	89	1,149
1989	1,055	93	43	1,191
1990	1,129	100	-	1,229
1991	1,178	94	-	1,272
1992	1,342	107	7	1,456
1993	1,767	120	15	1,902

Contributions were made in accordance with actuarially determined contribution requirements.

SOURCE: Fiscal Years 1984-1988 - Cash Basis Records of the Nebraska Public Employees Retirement System
Fiscal Years 1989-1993 - Nebraska Comprehensive Annual Financial Report - GAAP Accrual Basis

State of Nebraska

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES BY SOURCE AND EXPENSES BY TYPE
STATE PATROL RETIREMENT SYSTEM (Unaudited)

1984-1993

(Dollars in Thousands)	REVENUES BY SOURCE				
FISCAL YEAR	EMPLOYEE CONTRIBUTIONS	EMPLOYER CONTRIBUTIONS	INVESTMENT INCOME AND OTHER	TOTAL	EMPLOYER CONTRIBUTIONS AS A PERCENTAGE OF COVERED PAYROLL
1984	$ 685	$ 2,063	$ 3,507	$ 6,255	23.09%
1985	752	1,646	4,309	6,707	18.00
1986	748	1,563	6,107	8,418	17.72
1987	747	747	5,944	7,438	8.84
1988	780	780	4,270	5,830	7.88
1989	843	1,081	4,182	6,106	10.40
1990	903	1,083	5,328	7,314	9.83
1991	997	1,172	3,859	6,028	9.34
1992	1,060	1,230	7,219	9,509	9.39
1993	1,109	1,269	9,655	12,033	9.41

(Dollars in Thousands)	EXPENSES BY TYPE			
FISCAL YEAR	ANNUITY BENEFITS	ADMINISTRATIVE EXPENSES	REFUNDS	TOTAL
1984	$ 1,032	$ 54	$ 199	$ 1,285
1985	1,190	53	188	1,431
1986	1,464	95	24	1,583
1987	1,686	127	174	1,987
1988	1,813	157	109	2,079
1989	2,007	140	175	2,322
1990	2,523	161	174	2,858
1991	2,794	155	211	3,160
1992	2,965	172	48	3,185
1993	3,087	196	25	3,308

Contributions were made in accordance with actuarially determined contribution requirements.

SOURCE: Fiscal Years 1984-1988 - Cash Basis Records of the Nebraska Public Employees Retirement System
Fiscal Years 1989-1993 - Nebraska Comprehensive Annual Financial Report - GAAP Accrual Basis

COMBINING AND INDIVIDUAL FUND STATEMENTS

SPECIAL REVENUE FUNDS

Specific revenues which are legally restricted to expenditure for particular activities are accounted for in Special Revenue Funds. A brief description of each fund follows.

Licensing and Regulation. This fund accounts for all activities of agencies, boards, and commissions whose primary function is licensing individuals and regulating industry and professions. This includes a diverse group of professions such as abstracters, medical professions, barbers, engineers, architects and accountants.

Highway Fund. This fund accounts for the activities of the Department of Motor Vehicles and the Department of Roads in relation to gas taxes and other highway user fees.

Economic Development. This fund accounts for activities to develop and promote the growth of industry, agriculture, commerce and tourism, and utilization of resources within Nebraska.

Airport Development. This fund accounts for the activities relating to aircraft fuels tax, which is administered by the Department of Aeronautics for the support and maintenance of public airports.

Game and Parks. This fund accounts for the activities related to the Nebraska Game and Parks Commission, which is responsible for the development and preservation of the fish and wildlife resources of Nebraska, and operation and administration of the State park system.

Energy Conservation. This fund accounts for activities relating to the oil and gas severance taxes as well as energy conservation and development activities. The State Energy Office is responsible for providing technical assistance on energy conservation and development, distributing funds for the school weatherization program, and administering and distributing federal funds provided to the State in the area of energy efficiency.

Federal Fund. This fund accounts for substantially all federal monies received by the State except those received by the Highway Fund and the Colleges and Universities.

Health and Social Services. This fund accounts for activities of agencies, boards, and commissions relating to health care and social services.

Other Special Revenue. This fund accounts for various other revenues which must be used for specific purposes.

State of Nebraska

COMBINING BALANCE SHEET
ALL SPECIAL REVENUE FUNDS

June 30, 1993

(Dollars in Thousands)

	LICENSING AND REGULATION	HIGHWAY FUND	ECONOMIC DEVELOPMENT
ASSETS:			
Cash and Cash Equivalents	$ 38,822	$ 154,594	$ 22,184
Investments, at Cost	-	-	-
Receivables, net of allowance			
Due from Federal Government	98	20,119	-
Loans	-	-	172
Other	1,655	14,555	323
Due from Other Funds	-	208	-
Inventories	-	10,484	-
Prepaid Items	31	-	18
Other	119	12	515
TOTAL ASSETS	$ 40,725	$ 199,972	$ 23,212
LIABILITIES AND FUND BALANCES			
LIABILITIES:			
Accounts Payable	$ 1,400	$ 31,538	$ 69
Accrued Liabilities	335	3,391	37
Due to Other Governments	4,020	3,576	7
Deposits	394	211	523
Due to Other Funds	1,004	408	94
Other	-	526	-
TOTAL LIABILITIES	7,153	39,650	730
FUND BALANCES:			
Reserved for:			
Long-Term Receivables	-	-	172
Inventory and Prepaid Items	31	10,484	18
Debt Service	-	-	-
Unreserved	33,541	149,838	22,292
TOTAL FUND BALANCES	33,572	160,322	22,482
TOTAL LIABILITIES AND FUND BALANCES	$ 40,725	$ 199,972	$ 23,212

AIRPORT DEVELOPMENT	GAME AND PARKS	ENERGY CONSERVATION	FEDERAL FUND	HEALTH AND SOCIAL SERVICES	OTHER SPECIAL REVENUE	TOTALS
$ 6,287	$ 19,297	$ 21,258	$ 6,400	$ 9,098	$ 17,933	$ 295,873
-	-	-	2,725	-	5,877	8,602
-	527	-	65,453	1,341	-	87,538
1,669	-	18,634	1,483	-	21,601	43,559
115	273	307	229	2,549	684	20,690
64	19	-	725	583	516	2,115
-	-	-	-	1,297	-	11,781
-	20	-	59	2	6	136
-	-	-	-	-	124	770
$ 8,135	$ 20,136	$ 40,199	$ 77,074	$ 14,870	$ 46,741	$ 471,064
$ 1,314	$ 753	$ 144	$ 17,897	$ 754	$ 563	$ 54,432
-	144	34	39,009	957	160	44,067
-	-	-	1,071	-	8	8,682
-	-	-	1,658	265	11	3,062
5	152	12	2,515	181	479	4,850
-	31	-	-	107	2	666
1,319	1,080	190	62,150	2,264	1,223	115,759
1,669	-	18,634	1,483	-	21,601	43,559
-	20	-	59	1,299	6	11,917
-	-	-	-	-	4,490	4,490
5,147	19,036	21,375	13,382	11,307	19,421	295,339
6,816	19,056	40,009	14,924	12,606	45,518	355,305
$ 8,135	$ 20,136	$ 40,199	$ 77,074	$ 14,870	$ 46,741	$ 471,064

State of Nebraska

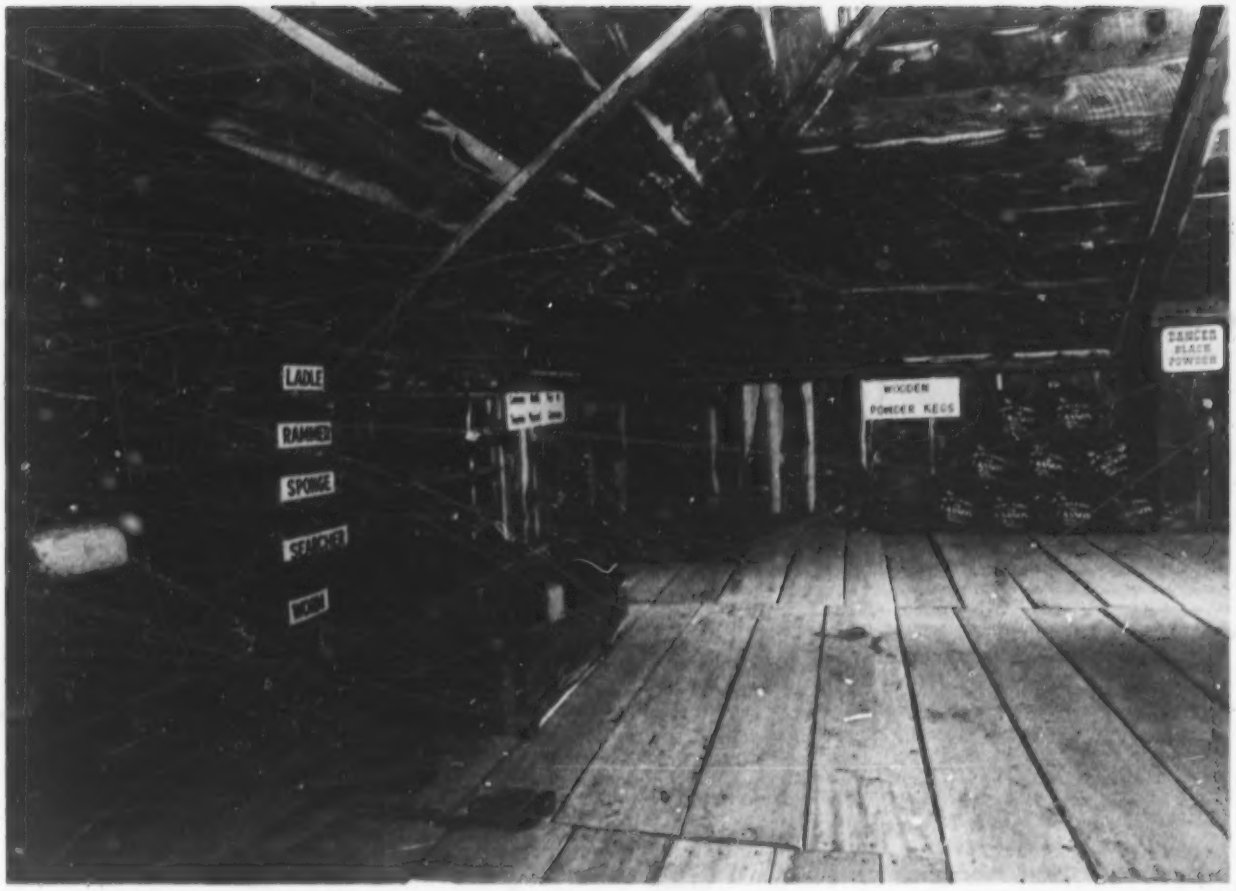
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES ALL SPECIAL REVENUE FUNDS

For the Year Ended June 30, 1993

(Dollars in Thousands)

	LICENSING AND REGULATION	HIGHWAY FUND	ECONOMIC DEVELOPMENT
REVENUES:			
Taxes	$ 13,106	$ 292,908	$ 6,784
Federal Grants and Contracts	177	149,525	187
Licenses, Fees and Permits	26,382	49,616	-
Charges for Services	1,895	1,647	401
Investment Income	1,894	5,966	1,030
Rents and Royalties	-	336	-
Other	1,283	2,654	202
TOTAL REVENUES	44,737	502,652	8,604
EXPENDITURES:			
General Government	-	-	-
Conservation of Natural Resources	-	-	-
Culture - Recreation	-	-	-
Economic Development and Assistance	-	-	7,900
Education	-	-	-
Health and Social Services	-	-	-
Public Safety	-	-	-
Regulation of Business and Professions	33,802	-	-
Transportation	-	495,347	-
Debt Service			
Principal	-	-	-
Interest	-	-	-
TOTAL EXPENDITURES	33,802	495,347	7,900
Excess of Revenues Over (Under) Expenditures	10,935	7,305	704
OTHER FINANCING SOURCES (USES):			
Operating Transfers In	2,326	1,498	150
Operating Transfers Out	(1,067)	(5,221)	(1,498)
Proceeds from Other Financing Arrangements	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	1,259	(3,723)	(1,348)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	12,194	3,582	(644)
FUND BALANCES, JULY 1, AS RESTATED	29,378	156,740	23,126
Residual Equity Transfers	(8,000)	-	-
FUND BALANCES, JUNE 30	$ 33,572	$ 160,322	$ 22,482

AIRPORT DEVELOPMENT	GAME AND PARKS	ENERGY CONSERVATION	FEDERAL FUND	HEALTH AND SOCIAL SERVICES	OTHER SPECIAL REVENUE	TOTALS
$ 1,169	$ 1,369	$ 250	$ -	$ 869	$ 12,877	$ 329,332
10,922	4,196	25	691,687	530	1,669	858,918
-	10,737	-	12	979	3,265	90,991
82	2,637	11	153	30,378	4,654	41,858
284	850	963	719	373	1,795	13,874
698	4,413	-	19	280	519	6,265
10	456	1,285	9,899	4,391	2,320	22,500
13,165	24,658	2,534	702,489	37,800	27,099	1,363,738
-	-	-	568	-	7,870	8,438
-	14,627	2,968	10,779	-	3,924	32,298
-	8,792	-	1,084	-	317	10,193
-	-	-	43,203	-	624	51,727
-	-	-	119,520	-	2,263	121,783
-	-	-	507,133	38,304	92	545,529
-	-	-	9,712	-	8,139	17,851
-	-	-	473	-	857	35,132
15,218	-	-	27	-	-	510,592
-	-	-	-	-	595	595
-	-	-	-	-	626	626
15,218	23,419	2,968	692,499	38,304	25,307	1,334,764
(2,053)	1,239	(434)	9,990	(504)	1,792	28,974
599	100	-	-	283	10,158	15,114
-	-	-	(5,666)	-	(5,967)	(19,419)
-	-	-	-	-	2,340	2,340
599	100	-	(5,666)	283	6,531	(1,965)
(1,454)	1,339	(434)	4,324	(221)	8,323	27,009
8,270	17,717	40,443	10,600	12,827	37,195	336,296
-	-	-	-	-	-	(8,000)
$ 6,816	$ 19,056	$ 40,009	$ 14,924	$ 12,606	$ 45,518	$ 355,305



FORT KEARNY

Built to protect Overland Trail travelers, Fort Kearny was stage station, home station for the Pony Express, outfitting depot for Indian campaigns and home of the Pawnee Scouts. Nearby Kearny State Recreation Area offers 186 acres dotted with sandpit lakes. In the spring, the world's largest concentration of sandhill cranes and waterfowl gathers nearby in the central Platte River valley.

ENTERPRISE FUND

The Enterprise Fund is maintained to account for operations that are financed and operated in a manner similar to private business enterprises—where the costs of providing goods and services to the general public are financed primarily through user charges.

The Nebraska Research and Development Authority is the only Enterprise Fund included in the State's reporting entity. Although not a State agency, generally accepted accounting principles require that the Authority be included as part of the State's reporting entity. The Authority's purpose is to foster innovation in value-added industry, to develop value-added industry, and to create and maintain employment in areas of importance to the State's economy.

State of Nebraska

BALANCE SHEET
ENTERPRISE FUND

June 30, 1993

(Dollars in Thousands)	JUNE 30, 1993
ASSETS	
CURRENT ASSETS:	
Cash and Cash Equivalents	$ 205
Other Receivables, net of allowance	776
TOTAL CURRENT ASSETS	981
NONCURRENT ASSETS:	
Long-Term Investments	2,146
Long-Term Receivables	2,706
Property, Plant and Equipment, net	24
TOTAL NONCURRENT ASSETS	4,876
TOTAL ASSETS	$ 5,857
LIABILITIES AND RETAINED EARNINGS	
CURRENT LIABILITIES:	
Accounts Payable	$ 6
TOTAL LIABILITIES	6
RETAINED EARNINGS	5,851
TOTAL LIABILITIES AND RETAINED EARNINGS	$ 5,857

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS ENTERPRISE FUND

For the Year Ended June 30, 1993

(Dollars in Thousands)	JUNE 30, 1993
OPERATING REVENUES:	
Interest Income	$ 32
Dividend Income	125
TOTAL OPERATING REVENUES	157
OPERATING EXPENSES:	
Personal Services	229
Services and Supplies	115
Depreciation Expense	13
TOTAL OPERATING EXPENSES	357
Operating Income (Loss)	(200)
NONOPERATING REVENUES (EXPENSES):	
Appreciation of Investments	1,085
Other	15
TOTAL NONOPERATING REVENUES (EXPENSES)	1,100
Net Income	900
RETAINED EARNINGS, JULY 1	4,951
RETAINED EARNINGS, JUNE 30	$ 5,851

State of Nebraska

STATEMENT OF CASH FLOWS
ENTERPRISE FUND

For the Year Ended June 30, 1993

(Dollars in Thousands)	JUNE 30, 1993
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash Paid to Employees	$ (229)
Cash Paid to Suppliers	(108)
NET CASH USED FOR OPERATING ACTIVITIES	(337)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING:	
Proceeds from Sale of Fixed Assets	1
NET CASH PROVIDED BY CAPITAL AND RELATED FINANCING ACTIVITIES	1
CASH FLOWS FROM INVESTING ACTIVITIES:	
Proceeds from Sale of Investment Securities	200
Purchase of Notes Receivable	(870)
Proceeds from Repayments of Notes Receivable	27
Interest and Dividend Income	157
NET CASH PROVIDED BY INVESTING ACTIVITIES	(486)
NET INCREASE (DECREASE) IN CASH	(822)
CASH AND CASH EQUIVALENTS, JULY 1	1,027
CASH AND CASH EQUIVALENTS, JUNE 30	$ 205
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Operating Income (Loss)	$ (200)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	13
Interest and Dividend Income	(157)
Change in Assets and Liabilities:	
Decrease in Accounts Payable	(1)
Decrease in Prepaid Expenses	8
Total adjustments	(137)
NET CASH USED FOR OPERATING ACTIVITIES	$ (337)

NONCASH TRANSACTIONS:

Noncash transactions are investing and financing activities that affect assets and liabilities but do not result in cash receipts or payments. During the year, the Enterprise Fund increased the value of assets by $1,085,000 and converted notes receivable into $300,000 of capital stock.

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the operations of State agencies which provide goods and services to other departments or agencies within State government on a cost-reimbursement basis. The State has the following internal service funds:

Correctional Services. The activities of Correctional Industries in the Department of Corrections is accounted for in this fund.

Buildings and Grounds. The activities of the Department of Administrative Services, Building Division, for space rental, office and storage, and operating the parking areas are accounted for in this fund.

General Services. This fund accounts for the operations of central services provided by the Department of Administrative Services, Materiel Division. These operations are the central mail room, printing, central stores, purchasing services, surplus State property, and other miscellaneous office services.

Central Data Processing. The central data processing operations maintained by the Department of Administrative Services, Data Processing Division, are accounted for in this fund.

Communications. This fund accounts for the activities of the central communications network maintained by the Department of Administrative Services, Communications Division.

Transportation Services Bureau. This fund accounts for the operations of the central motor pool, which is under the Department of Administrative Services, Transportation Services Bureau.

Risk Management. The activities of the Office of Risk Management, which include workers' compensation and general liability claims, are accounted for in this fund.

Other Internal Service Funds. This fund accounts for the micrographics services and warehousing of records by the Records Management Division of the Secretary of State, the activities of the Investment Council, and the temporary employee pool maintained by the Department of Personnel.

State of Nebraska

COMBINING BALANCE SHEET
INTERNAL SERVICE FUNDS

June 30, 1993

(Dollars in Thousands)	CORRECTIONAL SERVICES	BUILDINGS AND GROUNDS	GENERAL SERVICES
ASSETS			
CURRENT ASSETS:			
Cash and Cash Equivalents	$ 2,532	$ 2,483	$ 5,475
Investments	-	-	-
Receivables, net of allowance			
Accounts	112	-	60
Accrued Interest	31	37	77
Due from Other Funds	425	23	908
Inventories	748	-	578
Prepaid Items	-	181	336
TOTAL CURRENT ASSETS	3,848	2,724	7,434
Property, Plant and Equipment, net	1,755	306	1,670
TOTAL ASSETS	$ 5,603	$ 3,030	$ 9,104
LIABILITIES AND FUND EQUITY			
CURRENT LIABILITIES:			
Accounts Payable	$ 62	$ 46	$ 457
Accrued Liabilities	55	54	70
Deposits	-	-	530
Due to Other Funds	12	27	9
Capital Lease Obligations	-	-	-
Accrued Compensated Absences	125	207	160
Deferred Revenue	-	-	-
TOTAL CURRENT LIABILITIES	254	334	1,226
NONCURRENT LIABILITIES:			
Capital Lease Obligations	-	-	-
Workers Compensation	-	-	-
TOTAL NONCURRENT LIABILITIES	-	-	-
TOTAL LIABILITIES	254	334	1,226
FUND EQUITY:			
Contributed Capital	205	-	-
Retained Earnings	5,144	2,696	7,878
TOTAL FUND EQUITY	5,349	2,696	7,878
TOTAL LIABILITIES AND FUND EQUITY	$ 5,603	$ 3,030	$ 9,104

COMMUNICATIONS	CENTRAL DATA PROCESSING	TRANSPORTATION SERVICES	RISK MANAGEMENT	OTHER INTERNAL SERVICE	TOTALS
$ 3,479	$ 2,956	$ 3,691	$ 2,083	$ 685	$ 23,384
-	460	-	-	-	460
263	64	12	-	181	892
49	34	51	37	9	325
1,158	2,990	280	-	193	5,977
-	-	-	-	-	1,326
-	-	-	-	79	596
4,949	6,504	4,034	2,120	1,147	32,760
2,333	11,692	3,981	-	289	22,026
$ 7,282	$ 18,196	$ 8,015	$ 2,120	$ 1,436	$ 54,786
$ 625	$ 1,068	$ 193	$ 44	$ 26	$ 2,521
19	343	14	4,797	8	5,360
-	-	-	-	-	530
20	32	28	-	6	134
2	4,787	-	-	-	4,789
65	744	34	-	122	1,457
-	-	-	-	61	61
731	6,974	269	4,841	223	14,852
-	5,884	-	-	-	5,884
-	-	-	16,644	-	16,644
-	5,884	-	16,644	-	22,528
731	12,858	269	21,485	223	37,380
-	1,824	-	7	-	2,036
6,551	3,514	7,746	(19,372)	1,213	15,370
6,551	5,338	7,746	(19,365)	1,213	17,406
$ 7,282	$ 18,196	$ 8,015	$ 2,120	$ 1,436	$ 54,786

State of Nebraska

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS INTERNAL SERVICE FUNDS

For the Year Ended June 30, 1993

(Dollars in Thousands)	CORRECTIONAL SERVICES	BUILDINGS AND GROUNDS	GENERAL SERVICES
OPERATING REVENUES:			
Charges for Services	$ 4,679	$ 7,280	$ 11,199
Other	-	4	13
TOTAL OPERATING REVENUES	4,679	7,284	11,212
OPERATING EXPENSES:			
Personal Services	1,203	1,599	2,043
Services and Supplies	2,848	5,272	8,285
Insurance Claims	-	-	-
Depreciation	133	119	515
TOTAL OPERATING EXPENSES	4,184	6,990	10,843
Operating Income (Loss)	495	294	369
NONOPERATING REVENUES (EXPENSES):			
Interest Income	84	118	229
Gain (Loss) on Sale of Fixed Assets	(8)	(2)	(29)
Other	-	-	-
TOTAL NONOPERATING REVENUES, NET	76	116	200
Net Income (Loss)	571	410	569
RETAINED EARNINGS, JULY 1, AS RESTATED	5,073	2,286	7,309
Residual Equity Transfers	(500)	-	-
RETAINED EARNINGS, JUNE 30	$ 5,144	$ 2,696	$ 7,878

COMMUNICATIONS	CENTRAL DATA PROCESSING	TRANSPORTATION SERVICES	RISK MANAGEMENT	OTHER INTERNAL SERVICE	TOTALS
$ 12,247	$ 27,536	$ 3,633	$ 6,559	$ 3,530	$ 76,663
-	75	12	32	338	474
12,247	27,611	3,645	6,591	3,868	77,137
715	7,718	413	-	2,547	16,238
11,145	15,016	1,257	1,327	1,146	46,296
-	-	-	2,500	-	2,500
711	4,896	2,025	2	113	8,514
12,571	27,630	3,695	3,829	3,806	73,548
(324)	(19)	(50)	2,762	62	3,589
153	103	153	138	26	1,004
2	12	657	-	-	632
-	(560)	-	-	-	(560)
155	(445)	810	138	26	1,076
(169)	(464)	760	2,900	88	4,665
6,720	3,978	6,986	(22,272)	1,125	11,205
-	-	-	-	-	(500)
$ 6,551	$ 3,514	$ 7,746	$ (19,372)	$ 1,213	$ 15,370

State of Nebraska

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS

For the Year Ended June 30, 1993

(Dollars in Thousands)	CORRECTIONAL SERVICES	BUILDINGS AND GROUNDS	GENERAL SERVICES
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash Received from Customers	$ 501	$ 335	$ 366
Cash Received from Interfund Charges	4,580	6,960	10,816
Cash Paid to Employees	(1,204)	(1,597)	(2,016)
Cash Paid to Suppliers	(2,179)	(4,532)	(7,442)
Cash Paid for Insurance Claims	-	-	-
Cash Paid for Interfund Services	(509)	(989)	(1,062)
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	1,189	177	662
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Residual Equity Transfers to General Fund	(500)	-	-
NET CASH USED FOR NONCAPITAL FINANCING ACTIVITIES	(500)	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition and Construction of Capital Assets	(189)	(172)	(568)
Proceeds from Sale of Fixed Assets	1	4	14
Principal Paid on Capital Leases	-	-	-
Interest Paid on Capital Leases	-	-	-
NET CASH USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES	(188)	(168)	(552)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of Investment Securities			
Interest Income	70	107	205
NET CASH PROVIDED BY INVESTING ACTIVITIES	70	107	205
NET INCREASE (DECREASE) IN CASH	571	116	315
CASH AND CASH EQUIVALENTS, JULY 1	1,961	2,367	5,160
CASH AND CASH EQUIVALENTS, JUNE 30	$ 2,532	$ 2,483	$ 5,475
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating Income (Loss)	$ 495	$ 294	$ 369
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	133	119	515
Change in Assets and Liabilities:			
Increase (Decrease) in Accounts Payable	6	(86)	(134)
Increase (Decrease) in Due to Other Funds	-	18	3
Increase (Decrease) in Accrued Liabilities	(1)	2	27
Increase (Decrease) in Deferred Revenue	-	-	-
(Increase) Decrease in Accounts Receivable	7	13	(3)
(Increase) Decrease in Due from Other Funds	395	(2)	(29)
(Increase) Decrease in Inventories	154	-	(51)
(Increase) Decrease in Prepaid Expenses	-	(181)	(35)
Total Adjustments	694	(117)	293
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	$ 1,189	$ 177	$ 662

NONCASH TRANSACTIONS:

Noncash transactions are investing and financing activities that affect assets and liabilities but do not result in cash receipts or payments. The following noncash transactions occurred during the year: Central Data Processing acquired fixed assets through capitalized leases of $6,756,000 and Other Internal Service received $249,000 of services in exchange for investment business.

COMMUNICATIONS	CENTRAL DATA PROCESSING	TRANSPORTATION SERVICES	RISK MANAGEMENT	OTHER INTERNAL SERVICE	TOTALS
$ 1,286	$ 361	$ -	$ -	$ 701	$ 3,550
11,208	28,072	3,766	6,597	2,784	74,783
(704)	(7,564)	(407)	-	(2,531)	(16,023)
(10,605)	(12,260)	(637)	(1,197)	(433)	(39,285)
-	-	-	(4,506)	-	(4,506)
(435)	(2,291)	(603)	(112)	(442)	(6,443)
750	6,318	2,119	782	79	12,076
-	-	-	-	-	(500)
-	-	-	-	-	(500)
(716)	(3)	(2,846)	-	(90)	(4,582)
2	13	662	-	1	697
(24)	(3,924)	-	-	-	(3,948)
-	(560)	-	-	-	(560)
(738)	(4,474)	(2,184)	-	(89)	(8,393)
	(460)				(460)
137	93	140	115	24	891
137	(367)	140	115	24	431
149	1,477	75	897	14	3,614
3,330	1,479	3,616	1,186	671	19,770
$ 3,479	$ 2,956	$ 3,691	$ 2,083	$ 685	$ 23,384
$ (324)	$ (19)	$ (50)	$ 2,762	$ 62	$ 3,589
711	4,896	2,025	2	113	8,514
93	468	(6)	18	16	375
12	(3)	23	-	1	54
11	154	6	(2,006)	16	(1,791)
-	-	-	-	(31)	(31)
442	(34)	5	-	(68)	362
(195)	856	116	6	(35)	1,112
-	-	-	-	-	103
-	-	-	-	5	(211)
1,074	6,337	2,169	(1,980)	17	8,487
$ 750	$ 6,318	$ 2,119	$ 782	$ 79	$ 12,076

TRUST AND AGENCY FUNDS

Trust and agency funds are used to account for assets held by the State of Nebraska in a fiduciary capacity. The State has the following trust and agency funds:

EXPENDABLE TRUST FUNDS

Temporary School Fund. This fund receives the annual net income of the school trust, most of which is derived from management of the school lands held in trust for public education. This income is distributed annually to the K – 12 public schools by the Commissioner of Education as provided by law.

Unemployment Compensation Fund. This fund accounts for the State's unemployment compensation benefits. Revenues consist of taxes assessed on employers to pay benefits to qualified unemployed persons.

Excess Liability Fund. This fund accounts for the activity resulting from implementation of the Nebraska Hospital-Medical Liability Act. Revenues are primarily insurance premiums from certain health care providers and a surcharge levied on all health care providers in Nebraska. Expenditures from the fund are used to pay judgments against the insured health care provider.

Veterans' Aid Income Fund. This fund provides emergency financial assistance to eligible veterans and dependents. Revenue is received from investments of the Nebraska Veterans' Aid Fund, a nonexpendable trust fund.

Second Injury Fund. This fund accounts for assessments from insurance carriers and self-insurers. Compensation payments are made to employees on the basis of combined disabilities, part of which were preexisting at the time of employment.

Vocational Rehabilitation Fund. This fund provides rehabilitation services to employees to restore the employee to gainful employment. Funding comes from assessments to insurance companies and self-insurers.

Canteen and Welfare Fund. This fund provides general entertainment at correctional facilities for youth and adult offenders. Revenues are from vending sales, projects, donations and gifts.

State Employees Insurance Fund. This fund accounts for the administration of the State employees' life and health insurance programs. Revenues consist of State employee payroll deductions and employer contributions. Amounts collected are used to pay insurance carriers and to provide a premium stabilization balance.

Escheat Trust Fund. This fund makes payments to rightful owners for financial assets turned over to the State Treasurer because the assets were left unclaimed at corporations, business associations, banking and financial organizations, insurance companies, utilities and public authorities. If the rightful owners cannot be located, excess funds are transferred to the Permanent School Fund.

Other Expendable Trust Funds. Amos Trust, Agriculture and University Land Lease, Public Service Commission Trust Account, and Miscellaneous Expendable Trust.

NONEXPENDABLE TRUST FUNDS

Aeronautics Trust Fund. This fund receives proceeds from the sale of state-owned airfields. Investment income is used to pay for expenses of the Department of Aeronautics.

Nebraska Veterans' Aid Fund. This fund accounts for the investment activity of a General Fund contribution made in a prior year. Earnings on the investment are transferred to the Veterans' Aid Income Fund, an expendable trust fund.

Permanent School Fund. This fund receives proceeds from any sale of the school lands held in trust for public education, payments for easements and rights-of-way over these lands, royalties and severance taxes paid on oil, gas and minerals produced from these lands, escheats, unclaimed property and other items provided by law. The net income earned on this fund is transferred to the Temporary School Fund, an expendable trust fund.

Permanent Endowment Fund. This fund receives the proceeds of sales of land and investments endowed to the University by the Federal Government. This fund is under the control of the Board of Educational Lands and Funds which is a part of the primary government. Income on these funds is used for support and maintenance of the University.

Agriculture Endowment Fund. This fund receives the proceeds of sales of land and investments endowed to the University Agriculture College by the Federal Government. This fund is under the control of the Board of Educational Lands and Funds which is a part of the primary government. Income from this fund is used for support and maintenance of the Agriculture College.

Other Nonexpendable Trust Funds. Normal School Endowment, J. J. Soukup, and Miscellaneous Nonexpendable Trust.

PENSION TRUST FUNDS

Judges' Retirement, State Patrol Retirement, and School Retirement Systems.

AGENCY FUNDS

Local Government Fund. This fund receives money for redistribution to counties and other political subdivisions.

Payroll Withholding Fund. This fund receives all payroll funds needed to pay employees, the Federal Government, other State agencies, and payroll vendors.

Deferred Compensation Fund. This fund accounts for activities in the State's deferred compensation plan organized in accordance with Section 457 of the Internal Revenue Service Code.

Other Agency Funds. Ohio College Library Service, State and County Employees Retirement, Severance Tax Fund, Court Ordered Settlement, County Court Trust Funds, the Department of Correctional Services Inmate Trust Funds, and the Department of Public Institutions Trust Funds.

FORT ROBINSON

Western Nebraska's premier state park, Fort Robinson, west of Crawford, has it all—with over 22,000 acres of exquisite Pine Ridge scenery, compelling old west history, exceptional lodging, fun-time activities, scenic camping and the park's own buffalo herd.

Visitors can choose lodging from rooms in the 1909 enlisted men's quarters or "cabins" ranging from two to nine bedrooms in the former officer's quarters that date from 1874 to 1909. Lodging is available from mid-April through mid-November.

This historic outpost served from the days of the Indian Wars until after World War II. This was the site of the 1879 Cheyenne Outbreak and the death of famed Sioux Chief Crazy Horse. Over the years, the fort served the Red Cloud Indian Agency, as a cavalry remount station, K-9 dog training center, POW camp and beef research station. The State Historical Society operates a museum and many restored or reconstructed exhibit buildings to interpret the Fort's history.

State of Nebraska

COMBINING BALANCE SHEET
ALL TRUST AND AGENCY FUNDS

June 30, 1993

(Dollars in Thousands)	EXPENDABLE TRUST	PENSION TRUST	NONEXPENDABLE TRUST	AGENCY	TOTALS
ASSETS:					
Cash and Cash Equivalents	$ 220,704	$ 15,614	$ 1,401	$ 41,915	$ 279,634
Investments	39,413	1,495,960	148,753	43,796	1,727,922
Loans, Accounts and Other Receivables, net	19,612	16,450	1,119	-	37,181
Due from Other Funds	3,113	8,344	-	-	11,457
Prepaid Expenses	-	19	-	-	19
Other	1,866	-	-	-	1,866
TOTAL ASSETS	$ 284,708	$ 1,536,387	$ 151,273	$ 85,711	$ 2,058,079
LIABILITIES AND FUND BALANCES:					
LIABILITIES:					
Accounts Payable	$ 1,840	$ 3	$ 33	$ -	$ 1,876
Accrued Liabilities	29,385	-	-	-	29,385
Due to Other Governments	-	-	-	23,870	23,870
Employee Withholding and State Contributions	-	-	-	3,014	3,014
Deposits	940	-	-	-	940
Deferred Compensation Payable	-	-	-	43,796	43,796
Due to Other Funds	13	24	3,163	2,920	6,120
Accrued Compensated Absences	-	58	-	-	58
Deferred Revenue	2,802	-	-	-	2,802
Other	148	38	-	12,111	12,297
TOTAL LIABILITIES	35,128	123	3,196	85,711	124,158
FUND BALANCES:					
Reserved For:					
Unemployment Compensation Benefits	179,522	-	-	-	179,522
Claims	44,511	-	-	-	44,511
Endowment Principal	-	-	148,077	-	148,077
Pension Benefits	-	1,536,264	-	-	1,536,264
Unreserved	25,547	-	-	-	25,547
TOTAL FUND BALANCES	249,580	1,536,264	148,077	-	1,933,921
TOTAL LIABILITIES AND FUND BALANCES	$ 284,708	$ 1,536,387	$ 151,273	$ 85,711	$ 2,058,079

State of Nebraska

COMBINING BALANCE SHEET
EXPENDABLE TRUST FUNDS

June 30, 1993

(Dollars in Thousands)	TEMPORARY SCHOOL	UNEMPLOYMENT COMPENSATION	EXCESS LIABILITY	VETERANS AID INCOME
ASSETS:				
Cash and Cash Equivalents	$ 10,610	$ 163,052	$ 3,030	$ 1,521
Investments, at Cost	-	-	39,388	-
Other Receivables, net of allowance	518	18,168	317	22
Due from Other Funds	2,766	-	-	347
Other	-	-	-	-
TOTAL ASSETS	$ 13,894	$ 181,220	$ 42,735	$ 1,890
LIABILITIES AND FUND BALANCES				
LIABILITIES:				
Accounts Payable	$ 69	$ 1,594	$ -	$ -
Accrued Liabilities	-	-	20,900	-
Deposits	6	-	-	-
Due to Other Funds	3	-	-	-
Deferred Revenue	-	-	2,802	-
Other	-	104	-	-
TOTAL LIABILITIES	78	1,698	23,702	-
FUND BALANCES:				
Reserved for Unemployment Compensation Benefits	-	179,522	-	-
Reserved for Claims	-	-	19,033	-
Unreserved	13,816	-	-	1,890
TOTAL FUND BALANCES	13,816	179,522	19,033	1,890
TOTAL LIABILITIES AND FUND BALANCES	$ 13,894	$ 181,220	$ 42,735	$ 1,890

SECOND INJURY	VOCATIONAL REHABILITATION	CANTEEN AND WELFARE	STATE EMPLOYEES INSURANCE	ESCHEAT TRUST	OTHER	TOTALS
$ 3,456	$ 4,252	$ 1,161	$ 31,187	$ 1,385	$ 1,050	$ 220,704
-	-	-	-	-	25	39,413
50	61	15	422	20	19	19,612
-	-	-	-	-	-	3,113
-	-	-	-	932	934	1,866
$ 3,506	$ 4,313	$ 1,176	$ 31,609	$ 2,337	$ 2,028	$ 284,708
$ 18	$ 36	$ 120	$ -	$ -	$ 3	$ 1,840
-	-	14	8,460	-	11	29,385
-	-	-	-	-	934	940
-	-	2	-	8	-	13
-	-	-	-	-	-	2,802
-	-	44	-	-	-	148
18	36	180	8,460	8	948	35,128
-	-	-	-	-	-	179,522
-	-	-	23,149	2,329	-	44,511
3,488	4,277	996	-	-	1,080	25,547
3,488	4,277	996	23,149	2,329	1,080	249,580
$ 3,506	$ 4,313	$ 1,176	$ 31,609	$ 2,337	$ 2,028	$ 284,708

State of Nebraska

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES EXPENDABLE TRUST FUNDS

For the Year Ended June 30, 1993

(Dollars in Thousands)	TEMPORARY SCHOOL	UNEMPLOYMENT COMPENSATION	EXCESS LIABILITY	VETERANS AID INCOME
REVENUES:				
Insurance Premiums	$ -	$ -	$ 4,726	$ -
Unemployment Taxes	-	60,609	-	-
Charges for Services	126	-	-	-
Investment Income	1,177	11,814	3,287	67
Rents and Royalties	16,115	-	-	-
Escheat Revenue	88	-	-	-
Donations	-	-	-	-
Other	99	-	-	2
TOTAL REVENUES	17,605	72,423	8,013	69
EXPENDITURES:				
General Government	-	-	7,707	-
Education	25,781	-	-	-
Health and Social Services	-	-	-	893
Unemployment Claims	-	63,006	-	-
TOTAL EXPENDITURES	25,781	63,006	7,707	893
Excess of Revenues Over (Under) Expenditures	(8,176)	9,417	306	(824)
OTHER FINANCING SOURCES (USES):				
Operating Transfers In	10,241	-	-	1,347
Operating Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	10,241	-	-	1,347
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	2,065	9,417	306	523
FUND BALANCES, JULY 1, AS RESTATED	11,751	170,105	18,727	1,367
FUND BALANCES, JUNE 30	$ 13,816	$ 179,522	$ 19,033	$ 1,890

SECOND INJURY	VOCATIONAL REHABILITATION	CANTEEN AND WELFARE	STATE EMPLOYEES INSURANCE	ESCHEAT TRUST	OTHER	TOTALS
$ 3,101	$ 3,096	$ -	$ 60,660	$ -	$ -	$ 71,583
-	-	-	-	-	-	60,609
-	-	2,785	-	-	-	2,911
47	90	45	1,098	56	33	17,714
-	-	8	-	-	261	16,384
-	-	-	-	5,404	-	5,492
-	-	274	-	-	233	507
13	-	34	-	-	592	740
3,161	3,186	3,146	61,758	5,460	1,119	175,940
-	-	-	54,830	1,824	74	64,435
-	-	-	-	-	526	26,307
482	734	3,078	-	-	-	5,187
-	-	-	-	-	-	63,006
482	734	3,078	54,830	1,824	600	158,935
2,679	2,452	68	6,928	3,636	519	17,005
-	-	-	-	-	-	11,588
(6)	(141)	-	(199)	(3,195)	(41)	(3,582)
(6)	(141)	-	(199)	(3,195)	(41)	8,006
2,673	2,311	68	6,729	441	478	25,011
815	1,966	928	16,420	1,888	602	224,569
$ 3,488	$ 4,277	$ 996	$ 23,149	$ 2,329	$ 1,080	$ 249,580

State of Nebraska

COMBINING BALANCE SHEET
PENSION AND NONEXPENDABLE TRUST FUNDS

June 30, 1993

(Dollars in Thousands)	PENSION TRUST FUNDS			
	SCHOOL RETIREMENT	JUDGES RETIREMENT	STATE PATROL RETIREMENT	TOTALS
ASSETS:				
Cash and Cash Equivalents	$ 15,470	$ 72	$ 72	$ 15,614
Investments	1,374,059	38,644	83,257	1,495,960
Other Receivables, net of allowance	15,545	315	590	16,450
Due from Other Funds	7,950	51	343	8,344
Prepaid Items	-	-	19	19
TOTAL ASSETS	$ 1,413,024	$ 39,082	$ 84,281	$ 1,536,387
LIABILITIES AND FUND BALANCES				
LIABILITIES:				
Accounts Payable	$ 3	$ -	$ -	$ 3
Due to Other Funds	24	-	-	24
Accrued Compensated Absences	54	2	2	58
Other	28	3	7	38
TOTAL LIABILITIES	109	5	9	123
FUND BALANCES:				
Reserved for:				
Endowment Principal	-	-	-	-
Pension Benefits	1,412,915	39,077	84,272	1,536,264
TOTAL FUND BALANCES	1,412,915	39,077	84,272	1,536,264
TOTAL LIABILITIES AND FUND BALANCES	$ 1,413,024	$ 39,082	$ 84,281	$ 1,536,387

NONEXPENDABLE TRUST FUNDS						
AERONAUTICS TRUST	NEBRASKA VETERANS AID	PERMANENT SCHOOL FUND	PERMANENT ENDOWMENT	AGRICULTURE ENDOWMENT	OTHER	TOTALS
$ -	$ 206	$ 958	$ 28	$ 19	$ 190	$ 1,401
6,158	14,963	126,020	417	917	278	148,753
50	115	941	3	6	4	1,119
-	-	-	-	-	-	-
-	-	-	-	-	-	-
$ 6,208	$ 15,284	$ 127,919	$ 448	$ 942	$ 472	$ 151,273
$ -	$ -	$ -	$ 9	$ 21	$ 3	$ 33
50	347	2,766	-	-	-	3,163
-	-	-	-	-	-	-
-	-	-	-	-	-	-
50	347	2,766	9	21	3	3,196
6,158	14,937	125,153	439	921	469	148,077
-	-	-	-	-	-	-
6,158	14,937	125,153	439	921	469	148,077
$ 6,208	$ 15,284	$ 127,919	$ 448	$ 942	$ 472	$ 151,273

State of Nebraska

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCES PENSION AND NONEXPENDABLE TRUST FUNDS

For the Year Ended June 30, 1993

(Dollars in Thousands)	PENSION TRUST FUNDS			
	SCHOOL RETIREMENT	JUDGES RETIREMENT	STATE PATROL RETIREMENT	TOTALS
OPERATING REVENUES:				
Member Contributions	$ 47,930	$ 727	$ 1,109	$ 49,766
State Contributions	7,884	-	1,269	9,153
Political Subdivision Contributions	48,034	-	-	48,034
Interest Income	50,054	1,425	3,116	54,595
Dividend Income	14,465	432	949	15,846
Gain (Loss) on Sale of Investments	81,442	2,619	5,590	89,651
Rents and Royalties	-	-	-	-
Other	372	452	-	824
TOTAL OPERATING REVENUES	250,181	5,655	12,033	267,869
OPERATING EXPENSES:				
Personal Services	796	33	24	853
Services and Supplies	3,130	87	172	3,389
Benefits	39,335	1,767	3,087	44,189
Refunds	5,133	15	25	5,173
TOTAL OPERATING EXPENSES	48,394	1,902	3,308	53,604
Operating Income	201,787	3,753	8,725	214,265
OPERATING TRANSFERS:				
Operating Transfers In	-	-	-	-
Operating Transfers Out	-	-	-	-
Net Income	201,787	3,753	8,725	214,265
FUND BALANCES, JULY 1	1,211,128	35,324	75,547	1,321,999
FUND BALANCES, JUNE 30	$ 1,412,915	$ 39,077	$ 84,272	$ 1,536,264

NONEXPENDABLE TRUST FUNDS						
AERONAUTICS TRUST	NEBRASKA VETERANS AID	PERMANENT SCHOOL FUND	PERMANENT ENDOWMENT	AGRICULTURE ENDOWMENT	OTHER	TOTALS
$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
552	723	5,319	22	46	25	6,687
-	247	1,960	7	15	4	2,233
11	978	8,395	20	44	5	9,453
-	-	2,706	-	-	-	2,706
-	-	931	-	-	75	1,006
563	1,948	19,311	49	105	109	22,085
-	-	-	-	-	-	-
3	6	44	37	82	25	197
-	-	-	-	-	-	-
-	-	-	-	-	-	-
3	6	44	37	82	25	197
560	1,942	19,267	12	23	84	21,888
-	-	11	-	-	-	11
(599)	(1,347)	(10,200)	-	-	-	(12,146)
(39)	595	9,078	12	23	84	9,753
6,197	14,342	116,075	427	898	385	138,324
$ 6,158	$ 14,937	$ 125,153	$ 439	$ 921	$ 469	$ 148,077

State of Nebraska

COMBINING STATEMENT OF CASH FLOWS
NONEXPENDABLE TRUST FUNDS

For the Year Ended June 30, 1993

(Dollars in Thousands)	AERONAUTICS TRUST	NEBRASKA VETERANS AID
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received from Customers	$ -	$ -
Cash Paid for Expenses	(3)	(6)
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	(3)	(6)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Operating Transfers In		
Operating Transfers Out	(549)	(1,000)
NET CASH USED FOR NONCAPITAL FINANCING ACTIVITIES	(549)	(1,000)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Investment Securities	(1,539)	(8,886)
Proceeds from Sale of Investment Securities	1,539	8,900
Interest and Dividend Income	552	1,000
NET CASH PROVIDED BY INVESTING ACTIVITIES	552	1,014
NET INCREASE (DECREASE) IN CASH	-	8
CASH AND CASH EQUIVALENTS, JULY 1	-	198
CASH AND CASH EQUIVALENTS, JUNE 30	$ -	$ 206
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating Income	$ 560	$ 1,942
Adjustments to reconcile operating income to net cash provided by operating activities:		
Interest and Dividend Income	(552)	(970)
Gain on Sale of Investments	(11)	(978)
Increase in Accounts Payable	-	-
Total Adjustments	(563)	(1,948)
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	$ (3)	$ (6)

PERMANENT SCHOOL FUND	PERMANENT ENDOWMENT	AGRICULTURE ENDOWMENT	OTHER	TOTALS
$ 3,637	$ -	$ -	$ 75	$ 3,712
(44)	(28)	(61)	(22)	(164)
3,593	(28)	(61)	53	3,548
11	-	-	-	11
(7,434)	-	-	-	(8,983)
(7,423)	-	-	-	(8,972)
(71,069)	(213)	(469)	(114)	(82,290)
67,598	213	469	115	78,834
7,530	29	61	28	9,200
4,059	29	61	29	5,744
229	1	-	82	320
729	27	19	108	1,081
$ 958	$ 28	$ 19	$ 190	$ 1,401
$ 19,267	$ 12	$ 23	$ 84	$ 21,888
(7,279)	(29)	(61)	(29)	(8,920)
(8,395)	(20)	(44)	(5)	(9,453)
	9	21	3	33
(15,674)	(40)	(84)	(31)	(18,340)
$ 3,593	$ (28)	$ (61)	$ 53	$ 3,548

State of Nebraska

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES ALL AGENCY FUNDS

For the Year Ended June 30, 1993

(Dollars in Thousands)	BALANCE JULY 1, 1992	ADDITIONS	REDUCTIONS	BALANCE JUNE 30, 1993
LOCAL GOVERNMENT FUND				
ASSETS				
Cash and Cash Equivalents	$ 21,134	$ 200,236	$ 197,500	$ 23,870
LIABILITIES				
Due to Other Governments	$ 21,134	$ 200,236	$ 197,500	$ 23,870
PAYROLL WITHHOLDING FUND				
ASSETS				
Cash and Cash Equivalents	$ 4,695	$ 1,295,123	$ 1,293,884	$ 5,934
LIABILITIES				
Employee Withholding and State Contributions	$ 1,980	$ 1,261,486	$ 1,260,452	$ 3,014
Due to Other Funds	2,715	33,637	33,432	2,920
TOTAL LIABILITIES	$ 4,695	$ 1,295,123	$ 1,293,884	$ 5,934
DEFERRED COMPENSATION				
ASSETS				
Cash and Cash Equivalents	$ 235	$ 5,561	$ 5,796	$ -
Investments	36,163	9,764	2,131	43,796
TOTAL ASSETS	$ 36,398	$ 15,325	$ 7,927	$ 43,796
LIABILITIES				
Deferred Compensation Payable	$ 36,398	$ 15,325	$ 7,927	$ 43,796
OTHER FUNDS				
ASSETS				
Cash and Cash Equivalents	$ 13,091	$ 117,423	$ 118,403	$ 12,111
LIABILITIES				
Other	$ 13,091	$ 117,423	$ 118,403	$ 12,111
TOTALS – ALL AGENCY FUNDS				
ASSETS				
Cash and Cash Equivalents	$ 39,155	$ 1,618,343	$ 1,615,583	$ 41,915
Investments	36,163	9,764	2,131	43,796
TOTAL ASSETS	$ 75,318	$ 1,628,107	$ 1,617,714	$ 85,711
LIABILITIES				
Due to Other Governments	$ 21,134	$ 200,236	$ 197,500	$ 23,870
Employee Withholding and State Contributions	1,980	1,261,486	1,260,452	3,014
Deferred Compensation Payable	36,398	15,325	7,927	43,796
Due to Other Funds	2,715	33,637	33,432	2,920
Other	13,091	117,423	118,403	12,111
TOTAL LIABILITIES	$ 75,318	$ 1,628,107	$ 1,617,714	$ 85,711

GENERAL FIXED ASSETS ACCOUNT GROUP

The General Fixed Assets Account Group is maintained to account for fixed assets acquired or constructed for use by the State, other than those accounted for in proprietary funds, fiduciary funds, and College and University funds.

State of Nebraska

SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION

June 30, 1993

(Dollars in Thousands)

FUNCTION	LAND	BUILDINGS	EQUIPMENT	TOTALS
General Government	$ 2,395	$ 60,438	$ 4,503	$ 67,336
Conservation of Natural Resources	22,956	21,171	17,516	61,643
Culture - Recreation	1,310	2,688	279	4,277
Economic Development and Assistance	146	16,292	1,375	17,813
Education	717	10,165	30,494	41,376
Health and Social Services	77	40,265	11,977	52,319
Public Safety	968	76,516	16,022	93,506
Regulation of Business and Professions		86	2,812	2,898
Transportation	702	20,658	84,956	106,316
TOTAL BY FUNCTION	$ 29,271	$ 248,279	$ 169,934	447,484
Construction in progress				10,141
TOTAL GENERAL FIXED ASSETS				$ 457,625

State of Nebraska

SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY FUNCTION

For the Year Ended June 30, 1993

(Dollars in Thousands) FUNCTION	BALANCE JULY 1, 1992	ADDITIONS	DELETIONS	BALANCE JUNE 30, 1993
General Government	$ 65,771	$ 1,675	$ 110	$ 67,336
Conservation of Natural Resources	57,031	5,070	458	61,643
Culture - Recreation	4,834	114	671	4,277
Economic Development and Assistance	18,099	105	391	17,813
Education	40,366	1,336	326	41,376
Health and Social Services	52,132	539	352	52,319
Public Safety	91,859	3,298	1,651	93,506
Regulation of Business and Professions	2,653	333	88	2,898
Transportation	101,424	6,457	1,565	106,316
TOTAL BY FUNCTION	434,169	18,927	5,612	447,484
Construction in progress	2,506	8,893	1,258	10,141
TOTAL GENERAL FIXED ASSETS	$ 436,675	$ 27,820	$ 6,870	$ 457,625

State of Nebraska

SCHEDULE OF GENERAL FIXED ASSETS BY SOURCE

June 30, 1993

(Dollars in Thousands)

GENERAL FIXED ASSETS:	
Land	$ 29,271
Buildings	248,279
Equipment	169,934
Construction In Progress	10,141
TOTAL GENERAL FIXED ASSETS	$ 457,625
INVESTMENT IN GENERAL FIXED ASSETS:	
General Fund	$ 148,227
Special Revenue Funds	146,231
Capital Projects Funds	58,484
Trust and Agency Funds	1,072
Donations	5,201
Original Inventory - Source Uncertain	98,410
TOTAL INVESTMENT IN GENERAL FIXED ASSETS	$ 457,625

PLATTE RIVER

Situated amid the heavily wooded Platte River hills near Louisville, Platte River offers a wide range of activities, lodging and group facilities. Recreational activities include swimming, hiking, paddle boating, volleyball, archery and tennis.

Platte River provides a rare choice of accommodations. The modern, fully-equipped Owen Cabins are open all year. Other lodging is available from the end of April through October. Platte River also has three lodges available for group day-use.

COLLEGE AND UNIVERSITY FUNDS

The College and University Funds are used to account for transactions relating to public institutions of higher education. These include the University of Nebraska at all locations, the State Colleges, the University Facilities Corporation, and the State College Facilities Corporation. The University is governed by the University of Nebraska Board of Regents and the State colleges are governed by the Board of Trustees of the State Colleges.

SCHRAMM PARK

Schramm Park is a 340 acre State Recreation Area located near the picturesque Platte River area. It is home of the exceptional Ak-Sar-Ben Aquarium. Also the site of the state's first fish hatchery (1882), the old hatch house is now a fish management museum, and there is an interesting geologic display nearby. The picnic areas offer spectacular views of the countryside, and there is a 3-mile nature-hiking trial divided into two 1 1/2-mile segments.

Ak-Sar-Ben Aquarium houses 12 viewing tanks with intriguing displays of native and introduced fish species. Films and slide programs are shown in the theater, and there is a large terrarium.

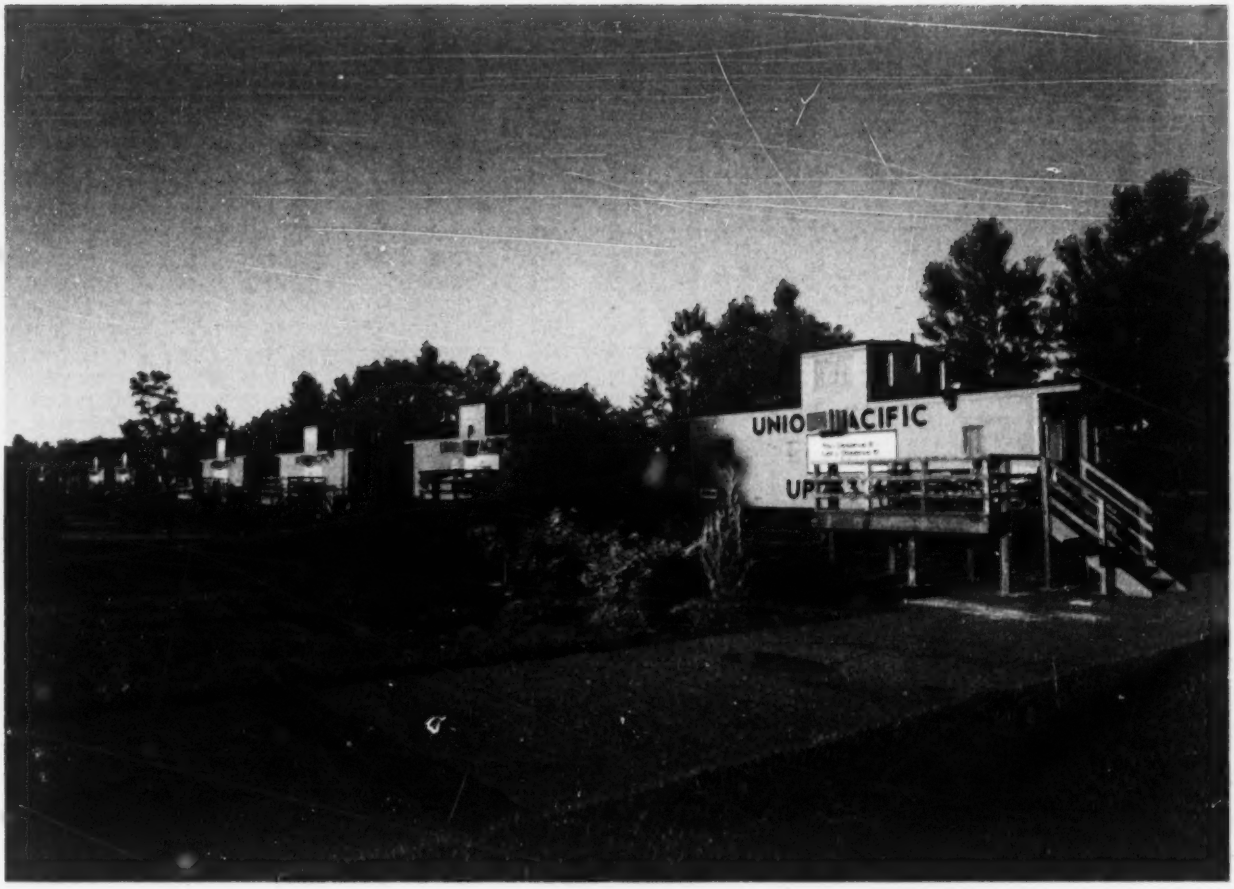
State of Nebraska

COMBINING BALANCE SHEET
ALL COLLEGE AND UNIVERSITY FUNDS

June 30, 1993

(Dollars in Thousands)

	CURRENT FUNDS		LOAN	ENDOWMENT	PLANT	AGENCY	
	UNRESTRICTED	RESTRICTED	FUNDS	FUNDS	FUNDS	FUNDS	TOTALS
ASSETS:							
Cash and Cash Equivalents	$ 80,729	$ 26,107	$ 2,887	$ 288	$ 36,179	$ 140	$ 146,330
Cash on Deposit with Fiscal Agents	-	107	-	23,368	53,841	-	77,316
Investments, at Cost	-	-	373	22,849	15	-	23,237
Receivables, net of allowance							
Loans	-	-	29,035	-	-	-	29,035
Other	42,529	17,864	9	22	38,690	545	99,659
Due from Other Funds	19,627	55	282	1,497	4,178	1,362	27,001
Inventories	10,199	-	-	-	-	-	10,199
Prepaid Expenses	4,646	-	-	-	527	-	5,173
Property, Plant, and Equipment	-	-	-	-	961,263	-	961,263
TOTAL ASSETS	$ 157,730	$ 44,133	$ 32,586	$ 48,024	$ 1,094,693	$ 2,047	$ 1,379,213
LIABILITIES AND FUND EQUITY							
LIABILITIES:							
Accounts Payable	$ 16,021	$ 2,710	$ 5	$ 48	$ 4,525	$ 70	$ 23,379
Accrued Liabilities	28,816	943	-	2,750	1,834	252	34,595
Deposits Held in Custody	320	-	-	-	-	1,722	2,042
Due to Other Funds	2,100	9,674	236	-	131	3	12,144
Notes Payable	87	-	-	-	-	-	87
Bonds Payable	-	-	-	-	114,113	-	114,113
Capitalized Lease Obligations	-	-	-	-	48,755	-	48,755
Accrued Compensated Absences	22,574	-	-	-	-	-	22,574
Deferred Revenue	13,785	-	-	-	-	-	13,785
TOTAL LIABILITIES	83,703	13,327	241	2,798	169,358	2,047	271,474
FUND BALANCES:							
Unrestricted	74,027	-	-	-	-	-	74,027
Restricted	-	30,806	3,593	12,764	-	-	47,163
Federal Loan Programs Refundable	-	-	28,752	-	-	-	28,752
Quasi Endowment Designated	-	-	-	11,139	-	-	11,139
Trusteed Insurance Programs	-	-	-	21,323	-	-	21,323
Unexpended Plant Funds	-	-	-	-	21,400	-	21,400
Renewals and Replacements	-	-	-	-	29,355	-	29,355
Retirement of Indebtedness	-	-	-	-	76,159	-	76,159
Net Investment in Plant	-	-	-	-	798,421	-	798,421
TOTAL FUND BALANCES	74,027	30,806	32,345	45,226	925,335	-	1,107,739
TOTAL LIABILITIES AND FUND BALANCES	$ 157,730	$ 44,133	$ 32,586	$ 48,024	$ 1,094,693	$ 2,047	$ 1,379,213



TWO RIVERS

The chance to sleep in an honest-to-goodness retired caboose, put-and-take trout fishing and some outstanding camping facilities highlight the outdoor fun at Two Rivers State Recreation Area. Located at the confluence of the Platte and Elkhorn rivers, the 622 acre area boasts 320 acres of water in several sandpit lakes. Besides a variety of fishing opportunities, and non-powered boating, there is an unsupervised swimming beach. Two Rivers also has bicycles and paddle boats for rent.

Ten bright cabooses were refurbished by the Game and Parks Commission to sleep six. Permanently side-tracked on actual rails, the cabooses offer a unique lodging opportunity from the end of April through October.

STATISTICAL SECTION

The Statistical Section presents comparative data for the past ten years, and other pertinent information involving taxes, revenues, expenditures, demographic data and other miscellaneous statistics.

The statistical data is presented to give report users a better historical perspective and assist in assessing current financial status and trends of the governmental unit. Economic data is presented to allow a broader understanding of the economic and social environment in which State government operates.

State of Nebraska

TEN YEAR SCHEDULE OF REVENUES AND EXPENDITURES - ALL GOVERNMENTAL FUND TYPES

1984 - 1993

(Dollars in Thousands)

	1984	1985	1986	1987
REVENUES:				
Taxes:				
Income	$ 369,563	$ 365,356	$ 406,387	$ 427,226
Sales and Use	340,168	302,845	323,951	399,470
Petroleum	133,910	131,534	150,142	163,873
Excise	55,953	56,936	55,985	61,510
Business and Franchise	30,204	31,237	33,330	30,643
Other	6,010	8,351	9,954	9,971
Total Taxes	935,808	896,259	979,749	1,092,693
Federal Grants and Contracts	463,460	513,949	533,866	530,387
Licenses, Fees and Permits	76,765	82,310	100,834	97,401
Charges for Services	28,839	31,077	32,550	35,478
Investment Income	19,610	21,792	14,981	15,603
Rents and Royalties	3,363	3,815	3,624	3,497
Other	7,077	4,956	6,339	9,238
TOTAL REVENUES	$ 1,534,922	$ 1,554,158	$ 1,671,943	$ 1,784,297
EXPENDITURES:				
Current:				
General Government	$ 38,838	$ 43,155	$ 48,345	$ 49,693
Conservation of Natural Resources	41,178	50,836	40,880	40,535
Culture - Recreation	3,179	3,791	3,431	3,655
Economic Development and Assistance	39,403	54,172	55,107	52,095
Education	273,477	286,388	284,538	289,331
Health and Social Services	421,379	446,611	484,200	521,103
Public Safety	62,690	71,718	70,816	71,455
Regulation of Business and Professions	13,253	14,983	23,751	16,956
Transportation	308,628	356,249	344,879	360,842
Miscellaneous Aid to Local Governments	71,134	75,626	77,042	73,694
Capital Projects	7,837	6,429	10,143	4,494
Debt Service	1,378	1,318	1,260	1,200
TOTAL EXPENDITURES	$ 1,282,374	$ 1,411,276	$ 1,444,392	$ 1,485,053

SOURCE: Department of Administrative Services, Accounting Division.

Fiscal Years 1984-1987 - Nebraska Comprehensive Annual Financial Report, GAAP Cash Basis.
Fiscal Years 1988-1993 - Nebraska Comprehensive Annual Financial Report, GAAP Accrual Basis.

1988	1989	1990	1991	1992	1993
$ 505,819	$ 554,724	$ 564,782	$ 688,359	$ 758,832	$ 780,823
453,488	488,813	500,234	616,577	664,202	653,455
168,389	175,251	212,136	218,767	221,485	227,228
60,079	64,061	71,448	72,622	73,105	77,693
32,350	36,648	28,406	28,344	35,799	35,591
7,368	7,335	7,697	8,743	5,325	19,782
1,227,493	1,326,832	1,384,703	1,633,412	1,758,748	1,794,572
557,804	607,896	674,529	716,595	828,356	859,581
90,324	89,550	94,195	97,177	100,340	106,958
37,067	42,485	42,843	42,895	44,440	47,965
27,888	46,094	56,192	47,007	36,396	24,320
3,903	4,052	4,107	4,708	6,870	6,265
7,524	16,357	15,146	14,748	18,597	27,331
$ 1,952,003	$ 2,133,266	$ 2,271,715	$ 2,556,542	$ 2,793,747	$ 2,866,992
$ 56,599	$ 58,848	$ 60,363	$ 64,280	$ 69,351	$ 70,275
47,923	47,504	58,545	57,774	51,027	55,860
3,909	4,120	4,606	12,974	13,755	14,501
54,694	53,347	52,603	55,921	54,401	55,684
302,252	323,947	377,268	572,174	628,539	653,332
563,927	609,432	679,019	780,718	891,526	967,959
84,786	85,573	96,316	109,616	120,773	109,404
18,549	18,361	21,089	31,651	38,100	40,647
396,182	398,752	431,968	454,116	477,160	511,154
74,561	98,919	214,836	99,874	157,538	124,316
4,439	4,060	6,263	7,698	4,639	10,552
1,141	1,083	1,029	-	1,201	1,221
$ 1,608,962	$ 1,703,946	$ 2,003,905	$ 2,246,796	$ 2,508,010	$ 2,614,905

State of Nebraska

SCHEDULE OF BUDGETARY FUND CONVERSION TABLE

For the year ended June 30, 1993

FINANCIAL STATEMENT FUND TYPE	FINANCIAL STATEMENT FUND TITLE	AGENCY	FUND NUMBERS
General	General	State Treasurer	Funds 1000, 1100
Special Revenue	Licensing and Regulation	Secretary of State	Funds 2091, 2092
		Department of Agriculture	Funds 2075, 2076, 2077, 2079, 2080, 2081, 2082, 2085, 2087, 2088, 2089, 2178, 2181, 2182, 2187, 2188
		Department of Education	Funds 2131, 2139
		Public Service Commission	Funds 2140, 2141, 2142
		Department of Revenue	Funds 2159, 2162, 2164, 2166, 2167, 2169, 2170
		Department of Banking and Finance	Funds 2191, 2192, 2193, 2194
		Department of Health	Fund 2800
		Fire Marshall	Fund 2211
		Department of Insurance	Funds 2221, 2222, 6223
		Department of Labor	Fund 2230, 2231, 2234
		Department of Social Services	Fund 2263
		Electrical Board	Fund 2121
		Racing Commission	Funds 2361, 2362, 2363
		Brand Committee	Fund 2391
		Motor Vehicle Industry Licensing Board	Fund 2401
		Real Estate Commission	Fund 2411
		Athletic Commission	Fund 2431
		Board of Barber Examiners	Fund 2451
		Real Estate Appraiser Board	Fund 2531
		Oil & Gas Conservation Commission	Fund 2571
		Board of Examiners for Professional Engineers and Architects	Fund 2581
		Board of Examiners for Land Surveyors	Fund 2621
		Board of Public Accountancy	Fund 2631
		Abstracters Board of Examiners	Fund 2661
		Board of Examiners for Landscape Architects	Fund 2731
		Power Review Board	Fund 2741
		Department of Environmental Quality	Funds 2838, 2841, 2842, 2843, 2844, 2845, 2847, 2849
	Highway	State Treasurer	Funds 6124, 6245, 6246
		Department of Revenue	Fund 7162
		Department of Motor Vehicles	Funds 2243, 2244, 7241
		Department of Roads	Funds 2270, 2271, 2671, 2672, 6271, 7757
	Economic Development	Lieutenant Governor	Fund 2074
		Department of Agriculture	Funds 2083, 2084, 2180, 2184
		Wheat Development, Utilization, and Marketing Board	Fund 2950
		Oil & Gas Conservation Commission	Fund 6571
		Gasohol Committee	Funds 2160, 2601, 2602
		Department of Economic Development	Funds 2183, 2186, 2331, 2721, 2723, 2724, 2726, 2727
		Dry Bean Development	Fund 2860
		Corn Development, Utilization, and Marketing Board	Fund 2189
		Branch Railway	Funds 2901, 5901
		Soybean Development, Utilization, and Marketing Board	Fund 2086

State of Nebraska

SCHEDULE OF BUDGETARY FUND CONVERSION TABLE (Continued)

For the year ended June 30, 1993

FINANCIAL STATEMENT FUND TYPE	FINANCIAL STATEMENT FUND TITLE	AGENCY	FUND NUMBERS
Special Revenue (Cont'd.)	Economic Development (Cont'd.)	Grain Sorghum Development, Utilization, and Marketing Board	Fund 2190
	Airport Development	State Treasurer	Fund 7759
		Department of Aeronautics	Fund 2171
	Game and Parks	Game and Parks Commission	Funds 2329, 2332, 2333, 2334, 2335, 2336, 2337, 2338, 2339
		Economic Development	Fund 2725
	Energy Conservation	Governor's Office	Funds 2812, 2813, 6811
		Department of Administrative Services	Fund 2654
	Federal	Legislative Council	Fund 4030
		Governor's Office	Funds 4443, 4811
		Supreme Court	Fund 4050
		Lieutenant Governor	Fund 4081
		Attorney General	Fund 4111
		Department of Education	Funds 4134, 4136, 4144, 4148
		Department of Agriculture	Funds 4182, 4183, 4184, 4185, 4190, 4191, 4192, 4193, 4195, 4197
		Department of Health	Funds 4202, 4205, 4207
		Fire Marshal	Fund 4121
		Department of Labor	Funds 4231, 4232, 4235, 4236
		Department of Motor Vehicles	Funds 4242, 4792, 6242
		Department of Public Institutions	Funds 4810, 4812
		Department of Social Services	Funds 4260, 4261, 4263, 4264, 4268, 4271
		Department of Roads	Fund 4273
		Department of Water Resources	Fund 4291
		Military Department	Funds 4311, 4312, 4313, 4316, 4326
		Game and Parks Commission	Fund 4332
		Workers' Compensation Court	Fund 4371
		Commission on the Status of Women	Fund 4381
		Correctional Services	Fund 4813
		Postsecondary Education	Fund 4481
		Historical Society	Funds 4541, 4542
		Natural Resources Commission	Fund 4552
		Oil & Gas Conservation Commission	Fund 4571
		Gasohol Commission	Fund 4601
		State Patrol	Fund 4641
		Department of Administrative Services	Fund 4000
		Equal Opportunity Commission	Funds 4673, 4674, 4675
		Arts Council	Fund 4691
		Department of Aging	Fund 4711
		Department of Economic Development	Funds 4721, 4722, 4723, 4724, 4728, 4730
		Commission on Law Enforcement and Criminal Justice	Fund 4781
		Commission for the Hearing Impaired	Fund 4820
		Department of Environmental Quality	Funds 4840, 4841, 4842, 4843, 4844, 4845
	Health and Social Services	Department of Health	Funds 2201, 2205, 2206, 2208, 2209
		Department of Public Institutions	Funds 2252, 2253, 2254, 6812, 6840, 6841
		Department of Social Services	Funds 2260, 2261, 2265, 6262, 7261, 7262
		Foster Care Review Board	Fund 2701
		Department on Aging	Funds 2710, 2711
		Commission for Hearing Impaired	Fund 2821

State of Nebraska

SCHEDULE OF BUDGETARY FUND CONVERSION TABLE (Continued)

For the year ended June 30, 1993

FINANCIAL STATEMENT FUND TYPE	FINANCIAL STATEMENT FUND TITLE	AGENCY	FUND NUMBERS
Special Revenue (Cont'd.)	Other Special Revenue	Legislative Council	Funds 2030, 2031
		Governor's Office	Funds 2040, 2041, 5040, 6041
		Supreme Court	Funds 2051, 2052, 2053
		Secretary of State	Funds 2094, 2611
		Auditor of Public Accounts	Fund 2101
		Attorney General	Funds 2111, 2112, 5111
		State Treasurer	Funds 2126, 7999
		Department of Education	Funds 2130, 2132, 2133, 2135, 2136, 2137, 2138, 5132
		Department of Revenue	Funds 2156, 2157, 2158, 2161, 2163, 2165, 2168, 5161, 5162, 6161, 6162
		Department of Agriculture	Funds 2078, 2176, 2177, 2179, 5181
		Fire Marshal	Funds 2122, 2123, 2125
		Department of Labor	Funds 2232, 2233
		Department of Motor Vehicles	Funds 2134, 2242, 2245
		Department of Veterans' Affairs	Fund 2281
		Department of Water Resources	Fund 2687
		Military Department	Fund 2311
		Board of Educational Lands and Funds	Funds 2321, 2323
		Library Commission	Funds 2340, 4345, 6834
		Liquor Control Commission	Fund 2350
		Workers' Compensation Court	Funds 2371, 2372
		Commission on the Status of Women	Fund 2381
		Department of Correctional Services	Funds 2469, 5250
		Educational Telecommunications Commission	Fund 2471
		Coordinating Commission for Postsecondary Education	Funds 2481, 6481, 7480
		Board of Trustees of the State Colleges	Funds 3248, 3249
		University of Nebraska	Funds 3252, 3253, 3254, 3255
		Historical Society	Funds 2541, 2543, 2561, 6181, 6542, 6543
		Natural Resources Commission	Funds 2551, 2552, 2553, 2554, 2660
		State Patrol	Funds 2641, 2643, 2644, 2646
		Department of Administrative Services	Funds 2651, 2655, 2656, 5165, 7654
		Equal Opportunity Commission	Fund 2670
		Commission on Mexican-Americans	Fund 2681
		Arts Council	Funds 2690, 6691
		Department of Economic Development	Fund 2330
		Commission on Indian Affairs	Fund 2722
		Commission on Law Enforcement and Criminal Justice	Funds 2780, 2781, 2782, 2783
		Department of Personnel	Funds 2801
		Department of Environmental Quality	Funds 2839, 2840, 2846, 2848, 6845, 6846, 6847
		Commission for Technical Community Colleges	Fund 2831
		Accountability and Disclosure Commission	Fund 2871
Capital Projects	Capital Projects	State Treasurer	Funds 3300, 3800
		Department of Public Institutions	Funds 2251, 4251
		Educational Telecommunications Commission	Fund 4471
		Department of Administrative Services	Funds 2652, 3202
		Commission on Law Enforcement and Criminal Justice	Fund 3278

State of Nebraska

SCHEDULE OF BUDGETARY FUND CONVERSION TABLE (Continued)

For the year ended June 30, 1993

FINANCIAL STATEMENT FUND TYPE	FINANCIAL STATEMENT FUND TITLE	AGENCY	FUND NUMBERS
Internal Service	Correctional Services	Department of Correctional Services	Fund 5251
	Buildings and Grounds	Department of Administrative Services	Funds 2650, 5650, 5655
	General Services	Department of Administrative Services	Funds 5651, 5654, 5658
	Communications	Department of Administrative Services	Funds 2653, 5653
	Central Data Processing	Department of Administrative Services	Funds 5652, 5656
	Transportation Services	Department of Administrative Services	Fund 5657
	Risk Management	Office of Risk Management	Funds 2891, 2892, 5891, 5892
	Other Internal Service	Secretary of State	Funds 2093, 5090
		Department of Correctional Services	Fund 5270
		Investment Council	Fund 2751
		Department of Personnel	Fund 5801
Expendable Trust	Temporary School	Department of Education	Fund 6136
		Board of Educational Lands and Funds	Fund 2322
	Amos Trust	State Treasurer	Fund 6130
	Excess Liability	State Treasurer	Fund 6222
	Veterans Aid Income	Department of Veterans' Affairs	Fund 6320
	Ag & Univ Land Lease	Board of Educational Lands and Funds	Fund 6332
	Second Injury	Workers' Compensation Court	Fund 6371
	Vocational Rehabilitation	Workers' Compensation Court	Fund 6372
	Canteen & Welfare	Department of Public Institutions	Funds 6803, 6805, 6810, 6820, 6822, 6823, 6825, 6830
		Department of Correctional Services	Funds 6464, 6465
	Employees Insurance	Department of Personnel	Fund 6892
	Escheat Trust	State Treasurer	Funds 2120, 6128
	PSC Trust Account	Public Service Commission	Fund 6142
	Miscellaneous Trust	Department of Education	Fund 6131
		Department of Public Institutions	Fund 6826
		Department of Correctional Services	Fund 6461
		Educational Telecommunications Commission	Fund 6471
Nonexpendable Trust	Miscellaneous	State Treasurer	Funds 6122, 6126
	Aeronautics Trust	Department of Aeronautics	Fund 6170
	Normal School Endowment	Board of Educational Lands and Funds	Fund 6328
	Veterans Aid	Board of Educational Lands and Funds	Fund 6333
	Permanent School	Board of Educational Lands and Funds	Fund 6334
	Permanent University	Board of Educational Lands and Funds	Fund 6335
	Agriculture Endowment	Board of Educational Lands and Funds	Fund 6513
	J.J. Soukup	Office of Risk Management	Fund 6891
	Insurance Investment Income	State Treasurer	Fund 6123
Pension Trust	School Retirement	Public Employees Retirement Board	Funds 2851, 6325, 6330, 6336, 6337, 6850, 6851, 6858, 6859
	Judges Retirement	Public Employees Retirement Board	Funds 2853, 6323, 6857
	State Patrol Retirement	Public Employees Retirement Board	Funds 2852, 6327, 6856
Agency	Local Government	State Treasurer	Funds 6125, 7121, 7153, 7752, 7764
		Department of Education	Funds 7131, 7132, 7133
		Department of Insurance	Fund 6224
	Master Lease	Department of Administrative Services	Fund 6651
	Ohio College Library	Library Commission	Fund 7341
	Short-Term Investment Pool	Investment Council	Fund 7750
	Payroll Withholding	Department of Administrative Services	Fund 7655
		Department of Personnel	Funds 6801, 7801

State of Nebraska

SCHEDULE OF BUDGETARY FUND CONVERSION TABLE (Continued)

For the year ended June 30, 1993

FINANCIAL STATEMENT FUND TYPE	FINANCIAL STATEMENT FUND TITLE	AGENCY	FUND NUMBERS
Agency (Cont'd.)	State and County Employees Retirement	Public Employees Retirement Board	Funds 6853, 6854
	Severance Tax	State Treasurer	Fund 7761
	Court Ordered Settlement	Attorney General	Fund 6111
		Department of Banking and Finance	Fund 6191
		Department of Motor Vehicles	Fund 6241
		Department of Social Services	Fund 7263
	Deferred Compensation	Public Employees Retirement Board	Fund 7653
Higher Education	Higher Education	Board of Trustees State Colleges	Funds 4491, 6494, 6501
		State Colleges	Funds 2501, 2503, 2504, 4900,4920, 4930, 5501, 5503, 5504, 6503, 6504, 6505, 6506
		University of Nebraska	Funds 2502, 2511, 2512, 2514, 2515, 2520, 2521, 2522, 2523, 2525, 3250, 3251, 4512, 4513, 4514, 4515, 4517, 4518, 4910, 5502, 5511, 5514, 5515, 5519, 6502, 6512, 6514, 6515, 6519, 6520, 6551, 6552, 6553
Public Benefit Corporation	University of Nebraska Facilities Corporation	University of Nebraska	Funds 6509, 6510, 6511, 6516, 6517, 6518
	Nebraska State Colleges Facilities Corporation	Board of Trustees State Colleges	Funds 6491, 6492, 6493, 6495

State of Nebraska

REVENUE BOND COVERAGE
COLLEGES AND UNIVERSITIES

1984 - 1993

(Dollars in Thousands)

FISCAL YEAR	DEDICATED REVENUES	RELATED EXPENSES	NET REVENUES AVAILABLE FOR DEBT SERVICE	DEBT SERVICE REQUIREMENT	COVERAGE RATIO
1984	$ 20,897	$ 16,240	$ 4,657	$ 3,134	1.49
1985	22,691	17,593	5,098	3,438	1.48
1986	27,347	21,868	5,479	3,528	1.55
1987	28,047	21,959	6,088	4,013	1.52
1988	28,832	23,052	5,780	3,917	1.48
1989	31,197	25,094	6,103	4,158	1.47
1990	34,691	26,811	7,880	4,294	1.84
1991	36,342	28,727	7,615	4,380	1.74
1992	38,633	29,922	8,711	5,572	1.56
1993	40,167	31,082	9,085	5,747	1.58

SOURCE: University of Nebraska and State Colleges.

State of Nebraska

COMPARATIVE POPULATION GROWTH NEBRASKA AND UNITED STATES

1940 - 1992 (As of July 1)

YEAR	NEBRASKA	PERCENT CHANGE	UNITED STATES	PERCENT CHANGE
1940	1,315,834		132,122,000	
1950	1,325,510	0.74 %	152,271,000	15.25 %
1960	1,411,921	6.52	180,671,000	18.65
1970	1,483,791	5.09	205,052,000	13.49
1971	1,508,000	1.63	207,661,000	1.27
1972	1,528,000	1.33	209,896,000	1.08
1973	1,533,000	0.33	211,909,000	0.96
1974	1,537,000	0.26	213,854,000	0.92
1975	1,544,000	0.46	215,973,000	0.99
1976	1,552,000	0.52	218,035,000	0.95
1977	1,555,000	0.19	220,239,000	1.01
1978	1,565,000	0.64	222,585,000	1.07
1979	1,574,000	0.58	225,055,000	1.11
1980	1,569,825	(0.27)	227,255,000	0.98
1981	1,577,000	0.46	229,637,000	1.05
1982	1,586,000	0.57	231,996,000	1.03
1983	1,597,000	0.69	234,284,000	0.99
1984	1,605,000	0.50	236,495,000	0.94
1985	1,606,000	0.06	238,740,000	0.95
1986	1,598,000	(0.50)	241,077,000	0.98
1987	1,594,000	(0.25)	243,419,000	0.97
1988	1,602,000	0.50	245,807,000	0.98
1989	1,611,000	0.56	248,777,000	1.21
1990	1,578,385	(2.02)	248,709,873	(0.03)
1991	1,593,000	0.93	252,177,000	1.39
1992	1,606,000	0.80	255,082,000	1.15
1940-1992		22.05 %		93.07 %

SOURCE: U.S. Population: 1940-1979 - Economic Report of the President;
1980-1992 - Population Profile of the U.S., U.S. Bureau of the Census.
Nebraska Population: 1940-1982 - Nebraska Statistical Handbook;
1983-1992 - Nebraska Department of Labor

State of Nebraska

COMPARATIVE UNEMPLOYMENT NEBRASKA AND UNITED STATES

1950 - 1992

YEAR	TOTAL LABOR FORCE	TOTAL EMPLOYMENT	UNEMPLOYMENT	NEBRASKA UNEMPLOYMENT AS PERCENT OF LABOR FORCE	UNITED STATES UNEMPLOYMENT AS PERCENT OF LABOR FORCE
1950	608,500	590,600	17,750	2.9%	5.2%
1960	630,400	613,000	17,200	2.7	5.5
1970(a)	631,700	612,300	19,400	3.1	4.9
1971	644,000	620,500	23,600	3.6	5.9
1972	666,300	643,800	22,500	3.4	5.6
1973	688,900	666,200	22,700	3.3	4.9
1974	719,500	688,600	30,900	4.3	5.6
1975	706,000	663,200	42,800	6.1	8.5
1976	717,100	680,900	36,200	5.0	7.7
1977(b)	750,000	722,000	28,000	3.7	7.1
1978	772,000	749,000	23,000	2.9	6.1
1979	771,000	747,000	24,000	3.2	5.8
1980	763,000	732,000	31,000	4.1	7.1
1981	777,000	745,000	32,000	4.1	7.6
1982	789,000	741,000	48,000	6.1	9.7
1983	791,000	746,000	45,000	5.7	9.6
1984	796,000	761,000	35,000	4.4	7.5
1985	806,000	762,000	44,000	5.5	7.2
1986	813,000	772,000	41,000	5.0	7.0
1987	812,000	772,000	40,000	4.9	6.2
1988	818,000	789,000	29,000	3.5	5.5
1989	812,000	787,000	25,000	3.1	5.3
1990	839,000	821,000	18,000	2.1	5.5
1991	857,000	834,000	23,000	2.7	6.7
1992	856,000	831,000	25,000	2.9	7.3

(a) Data for 1970 and later are based on a Labor Force concept rather than the Work Force use previously, and are not strictly comparable with data for previous years.

(b) Data for 1977 and later are not comparable to prior years because of changes in the method of estimating the labor force.

SOURCE: Nebraska Statistics - 1950-1983 Nebraska Statistical Handbook, Nebraska Department of Economic Development; 1984-1992 Nebraska Department of Labor.

United States Unemployment - January 1992 Employment and Earnings, U.S. Department of Labor, Bureau of Labor Statistics.

State of Nebraska

TOTAL PERSONAL AND PER CAPITA INCOME NEBRASKA, UNITED STATES AND THE PLAINS

1983 - 1992

	NEBRASKA		UNITED STATES		PLAINS (a)	
YEAR	PERSONAL INCOME (IN MILLIONS)	PER CAPITA INCOME	PERSONAL INCOME (IN MILLIONS)	PER CAPITA INCOME	PERSONAL INCOME (IN MILLIONS)	PER CAPITA INCOME
1983	$ 17,987	$ 11,266	$ 2,834,385	$ 12,098	$ 200,485	$ 11,510
1984	19,778	12,323	3,101,163	13,114	220,093	12,570
1985	20,808	12,967	3,317,545	13,896	232,842	13,273
1986	21,583	13,708	3,519,364	14,654	244,889	14,078
1987	22,241	14,195	3,789,392	15,638	258,156	14,811
1988	23,726	15,096	4,063,045	16,615	270,350	15,417
1989	25,262	16,041	4,367,719	17,696	290,650	16,519
1990	27,302	17,276	4,648,867	18,635	309,681	17,506
1991	28,329	17,780	4,813,897	19,091	321,009	18,022
1992	30,641	19,084	5,061,045	19,841	341,065	18,990

(a) States included in the Plains are Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, and South Dakota.

SOURCE: April 1993, Survey of Current Business, U.S. Department of Commerce, Bureau of Economic Analysis.

State of Nebraska

TEN LARGEST PRIVATE EMPLOYERS

1992

NAME OF COMPANY	RANK
Iowa Beef Processors, Inc.	1
Mutual of Omaha Insurance Company	2
Conagra Inc.	3
Union Pacific	4
Burlington Northern	5
Nebraska Methodist Hospital	6
First Data Resources	7
U.S. West Communications	8
Walmart, Inc.	9
AT&T Network Systems	10

SOURCE: Research Division, The Department of Economic Development.

State of Nebraska

TRANSPORTATION RELATED STATISTICS

1983 - 1992

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
STATE HIGHWAY MILEAGE BY SURFACE TYPE (a)										
RURAL										
Gravel	127	121	96	108	108	92	92	79	79	74
Non-Rigid Bitumen, Asphalt	3,605	3,411	3,293	3,152	2,873	2,711	2,617	2,418	2,237	2,118
Rigid Asphalt, Concrete, Brick	5,651	5,846	5,988	6,130	6,389	6,564	6,659	6,870	7,049	7,152
TOTAL RURAL	9,383	9,378	9,377	9,390	9,370	9,367	9,368	9,367	9,365	9,344
MUNICIPAL										
Non-Rigid Bitumen, Asphalt	93	83	80	76	70	67	68	64	57	54
Rigid Asphalt, Concrete, Brick	478	491	493	495	507	512	512	517	529	551
TOTAL MUNICIPAL	571	574	573	571	577	579	580	581	586	605
TOTAL RURAL AND MUNICIPAL	9,954	9,952	9,950	9,961	9,947	9,946	9,948	9,948	9,951	9,949
MILES OF CONSTRUCTION ON STATE HIGHWAYS (a)										
Rural	452	355	340	321	460	429	430	493	414	340
Municipal	15	25	16	17	11	19	17	26	23	16
TOTAL RURAL AND MUNICIPAL	467	380	356	338	471	448	447	519	437	356
MOTOR VEHICLE REGISTRATIONS (b)										
Automobiles	821,002	831,138	837,948	856,574	870,291	882,451	901,633	917,722	838,803	895,461
Trucks										
Farm	148,061	143,947	140,187	140,987	144,126	145,460	145,749	147,982	128,969	140,095
Other	216,735	221,757	223,280	228,188	231,572	239,560	245,664	273,065	247,831	269,195
Motorcycles	47,712	47,236	43,158	33,077	31,599	29,088	23,560	22,375	20,264	19,582
All Other	212,218	197,745	196,285	208,849	219,821	224,954	243,514	275,003	266,178	296,302
TOTAL	1,445,728	1,441,823	1,440,858	1,467,675	1,497,409	1,521,513	1,560,120	1,636,147	1,502,045	1,620,635

SOURCE: (a) 1983-1992 Selected Highway Statistics, Nebraska Department of Roads.

(b) 1983 Nebraska Statistical Handbook, Department of Economic Development.
1984-1992 Nebraska Department of Motor Vehicles.

State of Nebraska

NEBRASKA CASH RECEIPTS FROM FARM MARKETING AND GOVERNMENT PAYMENTS

1982-1992

(Dollars in Millions)

YEAR	CASH RECEIPTS FROM FARM MARKETINGS			GOVERNMENT PAYMENTS	TOTAL
	CROPS	LIVESTOCK AND LIVESTOCK PRODUCTS	TOTAL CROPS AND LIVESTOCK		
1983	$ 2,233.6	$ 4,217.7	$ 6,451.3	$ 786.8	$ 7,238.1
1984	2,412.7	4,424.2	6,836.9	533.0	7,369.9
1985	3,243.1	4,145.5	7,388.6	518.4	7,907.0
1986	2,538.7	4,222.4	6,761.1	858.4	7,619.5
1987	2,198.5	4,940.6	7,139.1	1,274.8	8,413.9
1988	2,411.6	5,390.3	7,801.9	1,091.5	8,893.4
1989	3,079.9	5,646.0	8,725.9	542.3	9,268.2
1990	2,631.8	6,076.1	8,707.9	624.6	9,332.5
1991	2,887.8	5,933.7	8,821.5	490.7	9,312.2
1992	3,085.0	5,787.0	8,872.0	479.0	9,351.0

SOURCE: Economic Research Service, U.S. Department of Agriculture

State of Nebraska

NEBRASKA HOUSING UNITS AUTHORIZED FOR CONSTRUCTION

1983 - 1992

YEAR	HOUSING UNITS AUTHORIZED	PERCENT CHANGE
1983	5,553	37.08
1984	5,993	7.92
1985	5,001	(16.55)
1986	6,236	24.70
1987	4,820	(22.71)
1988	5,739	19.07
1989	6,040	5.24
1990	6,634	9.83
1991	6,235	(6.01)
1992	6,745	8.18

SOURCE: 1983-1986 - Nebraska Housing Units Authorized for Construction, U.S. Department of Commerce.
1987-1992 - Housing Units Authorized by Building Permits: Annual 1987-1991, U.S. Dept. of Commerce.

State of Nebraska

MOTOR FUELS NET TAXABLE GALLONS

1983 - 1992

YEAR	IMPORTING DEALERS	SPECIAL FUELS	GASOHOL	TOTAL	PERCENT CHANGE
1983	568,560,428	151,245,940	178,137,610	897,943,978	(1.03)
1984	545,138,095	158,029,984	202,425,164	905,593,243	0.85
1985	508,516,120	159,811,579	235,317,607	903,645,306	(0.22)
1986	539,277,916	165,044,374	209,345,406	913,677,696	1.11
1987	513,749,744	172,205,225	234,755,809	920,710,778	0.77
1988	522,029,163	188,052,766	250,165,089	960,247,018	4.29
1989	508,839,046	191,620,212	263,372,940	963,832,198	0.37
1990	474,744,464	189,772,081	291,658,752	956,175,297	(0.79)
1991	401,151,347	184,069,676	338,655,895	923,876,918	(3.38)
1992	396,493,898	204,168,988	360,390,088	961,052,974	4.02

SOURCE: Nebraska Department of Revenue Annual Report.

State of Nebraska

BANK DEMAND AND TIME DEPOSITS

1983 - 1992

(Dollars in Millions)

YEAR	DEMAND DEPOSITS	TIME DEPOSITS	TOTAL DEPOSITS	PERCENT CHANGE
1983	$ 2,378	$ 9,372	$ 11,750	10.27
1984	2,344	10,311	12,655	7.68
1985	2,754	11,001	13,755	8.69
1986	2,902	11,565	14,467	5.18
1987	2,626	11,905	14,531	0.44
1988	2,567	12,506	15,073	3.73
1989	2,680	13,393	16,073	6.63
1990	2,806	14,828	17,634	9.71
1991	2,901	15,682	18,583	5.38
1992	3,174	16,441	19,615	5.55

NOTE: This data represents balances at December 31.

SOURCE: Federal Deposit Insurance Corporation.

State of Nebraska

PUBLIC AND STATE OPERATED ENROLLMENT PREKINDERGARTEN - GRADE 12

1982/83 - 1992/93

ACADEMIC YEAR	PRE KDG. AND KDG.	GRADES 1 - 3	GRADES 4 - 6	GRADES 7 - 9	GRADES 10 - 12	TOTAL ALL GRADES
1982 - 1983	22,827	60,061	61,537	62,380	62,575	269,380
1983 - 1984	23,017	60,898	59,223	63,886	60,510	267,534
1984 - 1985	23,509	60,711	58,313	63,581	60,002	266,116
1985 - 1986	24,698	62,146	57,962	61,191	59,822	265,819
1986 - 1987	24,842	63,953	58,175	58,962	61,207	267,139
1987 - 1988	24,733	65,954	58,480	58,122	60,811	268,100
1988 - 1989	24,292	67,372	60,680	58,471	58,567	269,382
1989 - 1990	24,491	67,117	62,962	59,412	56,407	270,389
1990 - 1991	24,559	66,933	65,380	60,832	55,826	273,530
1991 - 1992	24,702	66,877	67,366	63,261	56,766	278,972
1992 - 1993	24,667	66,313	67,139	65,603	58,157	281,879

SOURCE: 1983 - 1993 Statistics and Facts About Nebraska Schools, Nebraska Department of Education.

State of Nebraska

PUBLIC HIGHER EDUCATION INSTITUTIONS TOTAL FALL ENROLLMENT

1983-1992

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
COLLEGES AND UNIVERSITIES:										
Chadron State College	1,916	2,105	2,169	2,200	2,250	2,450	2,881	3,065	3,413	3,190
Kearney State College	7,664	8,035	8,725	8,816	9,075	9,094	9,745	9,899		
Peru State College	1,130	1,249	1,312	1,355	1,396	1,441	1,496	1,526	1,558	1,527
Wayne State College	2,405	2,797	2,669	2,919	2,899	2,874	3,324	3,512	3,925	3,761
University of Nebraska										
Lincoln	24,789	24,228	24,020	23,899	23,469	23,985	24,168	24,598	24,803	24,752
Omaha	14,531	14,037	13,789	13,907	14,210	14,985	15,475	15,811	15,986	16,227
Kearney									8,256	8,374
Medical Center	2,583	2,495	2,354	2,188	2,253	2,279	2,405	2,444	2,631	2,759
TOTAL COLLEGES AND UNIVERSITIES	55,018	54,946	55,038	55,284	55,552	57,108	59,494	60,855	60,572	60,590
TECHNICAL COMMUNITY COLLEGES										
Central TCC	5,797	8,209	7,945	8,796	9,127	9,676	10,284	10,915	9,971	11,014
Metropolitan TCC	5,745	6,018	6,547	6,835	6,595	6,629	7,383	8,520	9,573	10,301
Mid-Plains TCC	2,469	2,497	2,617	2,930	2,863	2,905	3,020	2,891	2,880	3,055
Northeast TCC	1,637	2,298	2,335	2,392	2,562	2,687	2,205	2,815	3,172	3,257
Southeast TCC	5,391	5,228	5,018	5,418	5,498	5,861	6,226	6,317	5,839	6,002
Western TCC	1,552	1,480	1,663	2,405	2,273	2,508	2,364	1,940	2,182	2,248
TOTAL TECHNICAL COMMUNITY COLLEGES	22,591	25,730	26,125	28,776	28,918	30,266	31,482	33,398	33,617	35,877
TOTAL ALL INSTITUTIONS	77,609	80,676	81,163	84,060	84,470	87,374	90,976	94,253	94,189	96,467

NOTE: Kearney State College became the University of Nebraska at Kearney in 1991.

SOURCE: Fall Headcount Enrollments in Nebraska Institutions of Postsecondary Education, Nebraska Coordinating Commission for Postsecondary Education.

State of Nebraska

MISCELLANEOUS STATISTICS

June 30, 1993

Date Entered Union	March 1, 1867 (37th State)
Form of Government	Legislative-Executive-Judicial
Land Area	77,355 square miles (15th largest in U.S.)
Elevation	840 to 5,426 feet above sea level
Capital	Lincoln
Largest City	Omaha
Origin of Name	From Oto Indian word "Nebrathka" meaning "flat water"
Nickname	Cornhusker State (from method of harvesting or "husking" corn by hand)
Recreation:	
Fish Hatcheries	5
State Parks	8
Historical Parks	10
Recreation and Wildlife Management Areas	201
State Police Protection:	
Number of Troops	6
Number of Patrolmen	409

SOURCE: Nebraska Blue Book, 1992-93.

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GREAT SEAL OF THE STATE OF NEBRASKA
EQUALITY BEFORE THE LAW
MARCH 1ST 1867